## BUSINESS WEEK APR. 5, 1947



A McGRAW HILL PUBLICATION

IESS



#### Suppose you had to go to the refinery for gasoline!

A LOT of people would be without automobiles if tanks could be filled only at a refinery. Revere Metals can take a little of the credit for making gasoline easily available, because they are used in every branch of the petroleum industry. They help drill oil wells, and are used in pumping stations along pipe lines, in refineries, tankers, tank trucks, and in the filling stations themselves.

This widespread use of Revere Metals in the petroleum industry is due to the fact that there are a great many of

them, produced in a wide variety of forms, each metal and each form having its own special qualities and values for specific uses. For example, Revere makes condenser tubes in eight different alloys, enabling a refinery, a power plant, or a ship to obtain exactly the type required to its individual conditions. In addition to supplying metals, Revere through its Technical Advisory Servinglad to cooperate in studying fabrication methods and uses, to determine what should be done to increase duction and obtain maximum efficiency and longest sellife. In many instances this collaboration has resulted new economies. If you are a manufacturer requiring products in copper and its alloys, magnesium and aluminate in the products in copper and its alloys, magnesium and aluminate in the products in copper and its alloys, magnesium and aluminate in the products in copper and its alloys, magnesium and aluminate in the products in copper and its alloys, magnesium and aluminate in the products in copper and its alloys, magnesium and aluminate in the products in copper and its alloys, magnesium and aluminate in the products in copper and its alloys, magnesium and aluminate in the products in the produ

alloys, and electric welded steel to look upon Revere not only as a so of supply, but also as a helpful in the search for lower costs. It is to years of experience, Revere to knows its metals.

#### REVERE

COPPER AND BRASS INCORPORATED

Founded by Paul Revere in 1801 230 Park Avenue, New York 17, New York

:

l to lyin Serv

an

st se

ring umi



CORRESPONDENT BANKING is an integral and important part of America's banking system. Through it, the country's 14,000 banks cooperate to assure adequate credit for business, facilitate the flow of funds, and exchange ideas and information on the newest banking procedures. This close relationship enables banks throughout the nation to serve their customers with speed and economy . . . Bankers Trust Company is working with many of the country's leading banks to provide increasingly effective banking service for American business.

#### BANKERS TRUST COMPANY

NEW YORK

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



New concepts of military strategy have lifted the fighting man into the air. He has grown wings. He is maneuverable. He has swift mobility that today's military practitioners give to a peace-time army.

And the Fairchild Packet is his airplane. It's the standard carrier of the Ninth Air Force which moves airborne battalions, air transportable infantry, field guns, ammunition, and cargotons of it-in maneuvers measured in hours and minutes and thousands of

Fairchild engineers designed and developed the Packet during the war. They built an airplane with an ability

to use less-than-average length runways. They provided for high payload, ease and speed in loading and unloading, and the ability to shift swiftly from one kind of flight assignment to another.

These abilities are paying off for the Ninth Air Force. The Packet is a tool they handle smartly, efficiently. It is helping to shape and mold the pattern of modern military strategy.

Today, the same engineering vision, imagination and ingenuity that developed the Packet are fitting new ideas of flight into designs on the drawing board-designs that assure "the touch of tomorrow in the planes of today."

#### ENGINE AND AIRPLANE CORPORATION

30 ROCKEFELLER PLAZA, NEW YORK 20, N. Y.

Divisions: Fairchild Aircraft, Hagerstown, Md. • Ranger Aircraft Engines, Farmingdale, L. I., N. Y. Duramold, Jamesrown, N.Y. • Fairchild Personal Planes, Strother Field, Kansas • Fairchild Pilotless Plane, Farmingdale, L.L.N.Y. Subsidiary: Al-Fin Corporation, Jamaica, L. L., N. Y. . Affiliate: Stratos Corporation, Babylon, L. L., N. Y.

#### RIICINECS WELL

DOSINES	_	-	2	_			1	Δ	7		L		C		7.
Automotive															
Business Abroad						*								1	N HE
Business Outlook															
Finance								2							C
International Outlook					×	*		*				*	*	1	DER
Labor															N. C
Marketing														я	144
The Markets										*				1	0
Production															-
Readers Report														25	er si
Report to Executives															Illion
The Trend															
Washington Outlook															1
EDI	-	-			_	-	_	_	-	_	_		-	20	ttle
Acara		_	**											1000	

howdo

only nore p

S

T doubt

V

+

Trows

EXECUTIVE EDITOR

MANAGING EDITOR Edgar A. Grunwald

Assistant Managing Editor, Harry Lee Waddell • Editors, G. Peter Davis, Richard M. Machol, Shipler, Jr. • Illustration, Raymond A. Dodd.

DEPARTMENT EDITORS

Business Outlook, Clark R. Pace Business John L. Cobbs • Finance, William McKee Gilli • Foreign, John F. Chapman • Industry, Jan Sutherland • Labor, Merlyn S. Pitzele • Law, A. Gerardi • Marketing, Bram Cavin • Prod. John Sasso • Agriculture, Arthur L. Moore ure wi

kind o EDITORIAL ASSISTANTS Cora Carter, Jean Drummond, Browniee Haydon sistant Foreign Editor), John Hoffman, Jame Nelson, Jr., Mary Richards (Assistant Marketing), Arthur Richter, Margaret Timmerman, Ed. T. Townsend (Assistant Labor Editor), Dor White \* Statistician, Gertrude Charloff \* Libra Patricia Burke eto o He's c questi

ECONOMICS STAFF
Dexter M. Keezer, Sanford S. Parker, William
Butler, John D. Wilson

Butler, John D. Wilson

Chicago Bureau, Arthur Van Vlissingen, Mary Issephenson Cleveland Bureau, Robert E. Cock Ionist Detroit Bureau, Stanley H. Brams San Francis Bureau, Stanley H. Brams San Francis Bureau, Steinard Lamb Washington Bureau, Don D. Hogate, Irvin D. Foos, George Doying, Males Burton, A. N. Carter, Robert B. Colborn, John L. Grado ter, Carter Field, Joseph Gambatese, John Highton Paul Leach, Jr., Gladys Montgomery, Blaine Substitutes, Steinard, Jr., Shirley Wolfel Crespondents: Akron, Albuquerque, Atlanta, Baltima fect: Bangor, Birmingham, Boston, Buffalo, Charlotte, Crimati, Dallas, Denver, Des Moines, Evansioted Helena, Houston, Indianapolis, Kansas City, Kaville, Los Angeles, Louisville, Madison, Mempi Miami, Minneapolis, New Orleans, Oklahoma Comaha, Philadelphia, Pittsburgh, Portland, Providen Richmond, Rochester, Salt Lake City, Seattle, Spoka St. Louis, Topeka, Tucson, Wichita, Wilmington, Fittle Cobanks (Alaska), San Juan (P.R.), Honolulu (T.H.

FOREIGN NEWS SERVICE

FOREIGN NEWS SERVICE

Director, John F. Chapman \*\*London Bureau\*, How Whidden, Frederick Brewster \*\*Paris Bureau\*, Mich Marsh \*\*Berlin Bureau\*, John Christie \*\*Prague Bura\*, Hoke Marsh \*\*Berlin Bureau\*, John Christie \*\*Prague Bura\*, Hickor Shanghai Bureau\*, A. W. Jessup \*\*Bombay Bureau\*, Shanghai Bureau\*, A. W. Jessup \*\*Bombay Bureau\*, John Denburg \*\*Mexico City Bureau\*, Erricower Hediger \*\*Ottawa Bureau\*, Frank Flaherty \*\*Compondents: Amsterdam, Bangkok, Batavia, Bogo Buenos Aires, Cairo, Caracas, Copenhagen, Halift Johannesburg, La Paz, Lima, Manila, Melbourlow is Milan, Montevideo, Montreal, Ottawa, Rio de Jane: Sao Paulo, Santiago, Stockholm, Tokyo, Toronto, Valoové couver, Vienna, Winnipeg.

PUBLISHER Paul Montgomery

ADVERTISING MANAGER H. C. Sturm

BUSINESS WEEK • APRIL 5 • NUMBER 9 (with which are combined The Annalist and the Manaine of Business) • Published weekly by McGray Hill Publishing Company, Inc., James H. McGray Founder and Honorary Chairman • Publication Off 99-129 North Broadway, Albany 1. N. Y. Editorial a Executive Offices, 330 W. 42nd St., New York 18 James H. McGraw, Jr., President: Curtis W. McGray Senior Vice-President and Treasurer: Nelson Bog Director of Advertising: Eugene Duffield, Editors Assistant Addess correspondence regarding subscritions to J. E. Blackburn, Jr., Director of Circulatio Business Week, 99-129 N. Broadway, Albany 1, N. or 330 West 42nd St., New York 18. Allow ten dafor change of address. Single copies 20c. Subscriptinates — United States and possessions \$5.00 a year. Pan American countries \$10 year \* All other countries \$20 a year \* Entered second class matter Dec. 4, 1984; 3, 873, Rev. 1947 by McGraw-Hill Publishing Co., Inc.—All Righ Reserved. BUSINESS WEEK . APRIL 5 NUMBER anoth gram emplo Cener suspe USIN

#### ELWASHINGTON OUTLOOK



THE GREAT DEBATE on quarantining Communism formally gets under way next week.

Of course, it's been going on—free style—ver since Truman's sobering proposal of a \$400lilion outlay to rescue the Greeks and Turks.

Now, the bill is ready for the Senate floor. And pattle lines are drawn for the greatest foreign policy howdown since lend-lease.

King George's death doesn't change the issue.
It only creates hope—that the new regime will prove more palatable.

Senate debate on the Greek-Turkish aid measure will consume at least a week.

The aid will be approved in the end. There's no doubt about that. What remains a question is the kind of strings that will be attached.

Vandenberg's dramatic offer to let U. N. hold a veto over U. S. aid started strictly as a solo idea. He's concerned over his mail—it runs heavy with questions about U. N.'s proper role.

His idea attracts those who wanted U. N. to do the job in the first place. But it shocks both isolationists and interventionists.

Also, there's the plan of Sen. Johnson of Cololando to write in a ban on military help. Other sentic lors have still different ideas for restricting the defects of the decision; these, too, will have to be

You can count as dead the proposal to outlaw the Communist Party with a law.

Instead, Chairman Thomas of the Un-American Activities Committee urges prosecution of party results for not registering as agents of a foreign repower.

The decision fits the growing patterns. To outlaw is merely to drive underground; FBI Chief Hoover clinched it with this argument.

The Communist chase at home goes on—and grows.

The House is giving Thomas' committee

Truman seeks \$25 million to pay for his proorgam of re-checking the loyalty of every federal

And Sen. Ferguson demands that Attorney General Clark publish the list of organizations to which federal workers can't belong without being suspect.

The sinister side of the anti-Communist hunt bobs up, too.

Instances come to light of rejected job applicants—or those facing dismissal—threatening to smear higher-ups with a Communist tag unless they get what they want.

PUBLIC STATEMENTS are only the trimming for Truman's effort to talk down prices.

Heart of the program is personal appeals to individual businessmen in key spots.

Top government officials are talking—informally—to executives of the big firms. Each official is assigned to see the men he happens to know best.

They're asking: Make a price cut; do it with a lot of splash: publicize it as deliberate business statesmanship. Or—at least—publicly freeze your prices for the next six months or so.

Under heaviest pressure in the price talk-down are steel, chemicals, other basics; their prices run through the whole economy.

But so far most of the price action has been among fabricators—Ford, International Harvester, Alexander Smith & Sons Carpet.

Crucial as Truman considers his price campaign, he has no thought of putting compulsion behind it.

A few Republicans in Congress wistfully seek some curb on the price spiral. But it's agreed that controls would be unworkable at this date.

Also, ceilings now might easily become floors to prevent a downturn.

CHAIRMAN TABER of House Appropriations took his first public licking this week on economy.

The school lunch program did it. The House wrote into a deficiency bill \$6 million to continue the program through June, despite Taber's objections.

It's significant because G. O. P. plans for trimming Truman's budget for fiscal '48 include knocking out the federal contribution for school lunches.

BUREAU OF LABOR STATISTICS is appealing the House-voted 60% cut in its funds to its customers (page 101).

It's a frank bid for help in talking the Senate into restoring part of the \$4,300,000 whacked out by the House.

#### WASHINGTON OUTLOOK (Continued)

Tactic is circularization of business, labor, and research groups than use BLS figures with a list of services that'll have to be dropped if the cut stands.

Users are asked: Tell us which tabulations you want retained. And do it quickly-so the Senate can be told.

LEGISLATION SCRAPPING the atom-control setup to knock Lilienthal out of his job-even after confirmation-isn't in the cards.

Not this year, at least. Chairman Hickenlooper of the joint congressional atomic committee has no intention of calling up any of the stack of bills that have been introduced to shift atom control from civilian hands

As to next year, chances for such bills lie in how tense the international picture gets.

And the Lilienthal battle will have to be fought out all over again anyway. The first appointments run only until Aug. 1, 1948.

WHO SHOULD ENFORCE mine safety-Washington, or the states?

You can expect revival of this old issue to blossom out of the Senate committee's probe into the Centralia disaster (page 96).

Rep. Landis—an ex-miner himself—already has a bill to let federal inspectors close down mines they find unsafe.

By law, states now do the policing, with federal inspectors recommending. Federal code is so stiff, however, that few mines pass muster.

Krug asserts that government operation doesn't alter safety responsibility. Illinois disagrees. So does Lewis. They argue the federal code was made part of the Krug-Lewis agreement—that government thus agreed to live up to it.

In the Centralia case, fact is that federal inspectors months ago notified union, state, and government-operator that the mine was unsafe.

JUSTICE DEPT. is toying with asking the Supreme Court for a rehearing of the Pullman case.

Big question: Is there any real chance to win?

The high court's 4-4 split this week left standing the lower court's O. K. on the sale of Pullman's sleeping-car business to the operating roads-which Justice opposes.

Justice Jackson can't be talked into voting in this case; he signed the original complaint as Attorney General. So a rehearing could succeed only if

some other justice could be persuaded to cha his mind.

HENRY WALLACE'S last footprints in the ernment are being washed away by the econo wave.

RC

lo long

aother .

ste-thi

Large

For y

Commerce Dept. got a rough going-over fr the House Appropriations Committee for its "was ful" organizational setup.

Result: The department will return to the Wallace Bureau of Foreign & Domestic Comme arrangement. The much-touted Office of Sm Business will be merged into the bureau.

THERE'S A REASON for the stepped up ag tion against German scientists in the U.S.

The Army recently has been trying to spo number of Germans in university and indust jobs. These are men who have been drained of ful data, but Army wants to keep them on tap.

The local boys resent the job competition they don't like working alongside Nazis on civil work; that's particularly true of the prewar refuge

Nobody quarrels with use of Germans on roc work-they're leaders. And the Army keeps th away from atomics. But there's some eyebrow ing over letting them dabble in radar.

FEDERAL DEBT IS DOWN by more than \$1 billion in a year—to less than \$260 billion.

That's a fact the Democrats plan to make t most of. Watch for them to bill Truman as: T man who balanced the budget and cut the debt.

They hope voters won't see the mirrors. Tred ury's cash balance also is down-by almost exact the amount the debt has been reduced.

War's end made a large cash balance needed. So Snyder has been paying off a lot of ba quicknotes as they came due.

Il bran FTC has established a compliance division unops in der its general counsel-in response to critics windern complain the agency doesn't work hard enough eas, re Food forcing its orders once they have been issued. . .

Senate Republican leaders have O. K.'d Trieth thi man's proposal to make the Speaker of the House next in line of succession after the Vice-Presider ave we It would mean Joe Martin as heir apparent insteaduct of Secretary of State Marshall. . . . n a wi

Interior Under Secretary Oscar Chapman ed Nick pects to resign soon. He'll probably show up on th BUSINESS WEEK, Apr. 5, 19 Democratic National Committee payroll.



### Inco helps the Frozen Food Industry shuffle the seasons to laden your table

lo longer need meals be the problem they once were for aother... With her convenience in mind, processors of borquick-frozen" foods are turning out arrays of easy-to-fix, aste-thrilling products.

Large scale operations and technical advances made by ill branches of the industry now enable neighborhood hops in every community to supply foods teeming with wenderness . . . from gardens, farms, ranches, lakes and needs, regardless of season or distance.

Food processors champion purity. The equipment they received and the metal from which it is made... is selected in this requirement uppermost in mind.

for years the technical staffs of International Nickel der ave worked with designers, metallurgists, research and tecroduction men throughout the food processing industry n a wide range of equipment problems involving the use of Nickel and Nickel alloys. To this extent they have con-

tributed to the continuing improvement in quality and variety of quick-frozen foods.

Through this and comparable experience gained in technical service throughout industry, International Nickel has accumulated a fund of useful information on the selection, fabrication, treatment and performance of engineering alloy steels, stainless steels, cast irons, brasses, bronzes and other alloys containing Nickel. This information and data are yours for the asking. Write for "List A" of available publications.



THE INTERNATIONAL NICKEL COMPANY, INC. NEW YORK 5, N.Y.

# for every need INDUSTRIAL . MARINE FARM . AUTOMOTIVE INTERNATIONAL

CHAIN & MFG. CO.

YORK, PENNA.

#### THE COVER

America's biggest single stake in Middle East oil is the Saudi Arabian concession held by Arabian American Oil Co. And the man generally credited with finding oil under Arabia's sands is Fred A. Davies.

Davies' experience with Middle East oil dates back to 1930 when he was sent to the Persian Gulf by Standard Oil Co. of California. Largely on his urging, Calso took over Gulf Oil Corp.'s concession on Bahrein Island. His first wildcat well on Bahrein (1932) was behind a butte which shut off any cooling breezes from the Gulf. In that region, readings of 120 F are commonplace.

• Over the Water—During the three

• Over the Water—During the three years he remained at Bahrein, he often squinted across the 20 miles of water to the mainland. Each time his geologist's eye caught and was held by Dammam Dome, swelling into the skyline from the flat Saudi Arabian coast.

Davies moved to the mainland in 1935 to manage the Arabian concession, obtained from King Ibn Saud in 1933. The first drillings at Dammam were not commercial producers; they went down only to the depth at which oil had been found at Bahrein. But when the deeper "Arab zone" was penetrated, the vast potentialities of Saudi Arabian oil began to unfold.

Saudi Arabian oil began to unfold.
From 1937 to 1940 Davies was production manager of Bahrein Petroleum Co. Then he was named president of California Arabian Standard Oil Co. In 1944 this company became Arabian American.

• Production Chief—To keep pace with the changing pattern of world oil production and demand (Special Report—"Two Worlds for Oil," page 84) Aramco last month separated corporate administrative and engineering activities. Davies stepped down as president, was named vice-president in charge of production and exploration. New president is W. F. Moore, former general manager of the Texas Co.'s foreign operations. Texaco and California Standard have been joint owners of Aramco and Bahrein since 1936.

Davies was born April 17, 1894, received his mining engineer degree from the University of Minnesota in 1916. He served in the Army during World War I, was an oil geologist for the Greenwood Co., Kansas, and worked for Anaconda Copper Mining Co. before joining a California Standard subsidiary in 1922.

The Pictures—Gabriel Moulin—Cover; Charles Phelps Cushing—15; Press Assn.—17, 34, 105, 108; Acme—28, 90, 96; Int. News—97, 98; Robert Yarnall Richie—90, 93; Fairchild Aerial Surveys—94; Canada Wide Photo—113.

When you want a "key" mau S
in your Elmira plant...



### Let Marine Midland find the man

Are you trying to fill an important vacancy in Elmira—or in one of the other 44 New York State Communities served by Marine Midland Banks? One of our officers may be able to turn up just the man you want.

Marine Midland executives "get around" in their community. They have a long list of business and social acquaintances. And they know the aptitudes and accomplishments of these men as only a neighbor can. Whether that hard-to-fill job is production...credit... sales—if you need help in locating a top-flight man, ask Marine Midland!

Marine Midland Banks serve 45 communities in New York State



Mamber Federal Deposit Insurance Corporation

#### INSINESS OUTLOOK

RIL 5, 1947

Service

ina

tant

e of

land y be

you

get

hey

and

hey

ish-

y a

ard.

ing

ine

Forecasters recently have returned to practical unanimity on the approaching "recession." Yet this dip has an elusive way of not arriving.

Sight too often is lost of the great inherent strength in the business situation. There are many factors which push the recession into the future (although they probably aren't potent enough to prevent it):

- (1) Volume in durable goods is taking up the slack in nondurables.
- (2) Savings are being drawn upon to support retail volume.
- (3) Continued inventory accumulation is a big sustaining factor.
- (4) Wage and salary payments are still going up, though more slowly.

These supports won't last forever. The first three in particular will run out sooner or later; and when they do, wages will stop rising.

Government spending will decline less than has been expected in the next couple of years if Congress approves the "Stop Communism" policy.

More government spending means less reduction in the federal debt. Debt reduction is one of the best ways of curbing inflationary credit. Economists had hoped debt retirement out of current revenue would go on.

The pending tax reduction of perhaps \$3,800,000,000, adds just that much to spendable income, of course. And cash windfalls are ahead, such as veterans' bonus payments by states—not to mention the chance that Congress might decide to pay off \$2 billion of terminal pay bonds.

These varied factors will help to ward off any serious depression—or add to inflationary pressures, depending on which way the cat jumps.

High prices continue as the country's No. 1 economic pitfall.

The whole emphasis in business is shifting from buying to selling, from a scramble to get goods to a drive to dispose of what is on hand.

That is conspicuous at the retail level. Department stores are back to the point where they can replace stock as they sell (page 15); they don't see why they should shoulder the risk of carrying big inventories.

Store managers declare they are placing fewer orders and canceling out duplicates that they placed earlier. Closer attention is being paid to delivery dates. Efforts are being made to move top-heavy lines.

Manufacturers, particularly in vulnerable consumers' soft goods, may get caught overextended if they ignore these hard-boiled buying tactics.

Bankers have expressed concern about granting too much credit to business.

Yet loans of the Federal Reserve member banks in 101 cities that report each week are above \$11 billion for the first time. When the war ended, the figure was a shade under \$6 billion.

The rise has been the fastest since 1920. All the banks in the country last year added about \$5 billion\*to their loans, and the Federal Reserve Board estimates the Dec. 31 total at \$14 billion.

Member banks had 673,000 loans outstanding on Nov. 20—one loan to every four or five business establishments in the country.

Plenty of bank credit at lenient interest rates often encourages too much inventory buying. The 1919-20 boom was founded largely on loans—and toppled when banks began to demand that borrowers pay up.

The federal reserve bulletin for March, 1947, notes that "bank bor-



INTERNATIONAL

CHAIN & MFG. CO.

THE COVER

America's biggest single stake in Middle East oil is the Saudi Arabian concession held by Arabian American Oil Co. And the man generally credited with finding oil under Arabia's sands is Fred A. Davies.

Davies' experience with Middle East oil dates back to 1930 when he was sent to the Persian Gulf by Standard Oil Co. of California. Largely on his urging, Calso took over Gulf Oil Corp.'s concession on Bahrein Island. His first wildcat well on Bahrein (1932) was behind a butte which shut off any cooling breezes from the Gulf. In that region, readings of 120 F are commonplace.

• Over the Water—During the three years he remained at Bahrein, he often squinted across the 20 miles of water to the mainland. Each time his geologist's eye caught and was held by Dammam Dome, swelling into the skyline from the flat Saudi Arabian coast.

Davies moved to the mainland in 1935 to manage the Arabian concession, obtained from King Ibn Saud in 1933. The first drillings at Dammam were not commercial producers; they went down only to the depth at which oil had been found at Bahrein. But when the deeper "Arab zone" was penetrated, the vast potentialities of Saudi Arabian oil began to unfold.

Saudi Arabian oil began to unfold.
From 1937 to 1940 Davies was production manager of Bahrein Petroleum Co. Then he was named president of California Arabian Standard Oil Co. In 1944 this company became Arabian American.

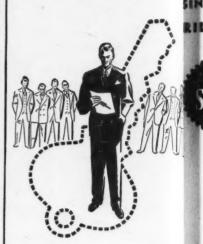
duct "Tw co la istra Dav

nam duct is V ager tion have Bah D

the He

Wa

Ana join in 1 When you want a "key" mau S
in your Elmira plant...



### Let Marine Midland find the man

Are you trying to fill an important vacancy in Elmira—or in one of the other 44 New York State Communities served by Marine Midland Banks? One of our officers may be able to turn up just the man you want.

Marine Midland executives "get around" in their community. They

TIGH

BOL

### INESS OUTLOOK

RIL 5, 1947



ino

rtant

e of

land y be

you

"get hey Forecasters recently have returned to practical unanimity on the approaching "recession." Yet this dip has an elusive way of not arriving.

Sight too often is lost of the great inherent strength in the business situation. There are many factors which push the recession into the future (although they probably aren't potent enough to prevent it):

- (1) Volume in durable goods is taking up the slack in nondurables.
- (2) Savings are being drawn upon to support retail volume.
- (3) Continued inventory accumulation is a big sustaining factor.
- (4) Wage and salary payments are still going up, though more slowly.

These supports won't last forever. The first three in particular will run out sooner or later; and when they do, wages will stop rising.

Government spending will decline less than has been expected in the next couple of years if Congress approves the "Stop Communism" policy.

More government spending means less reduction in the federal debt. Debt reduction is one of the best ways of curbing inflationary credit. Economists had hoped debt retirement out of current revenue would go on.

The pending tax reduction of perhaps \$3,800,000,000, adds just that much to spendable income, of course. And cash windfalls are ahead, such as veterans' bonus payments by states—not to mention the chance that Congress might decide to pay off \$2 billion of terminal pay bonds.

These varied factors will help to ward off any serious depression—or add to inflationary pressures, depending on which way the cat jumps.

High prices continue as the country's No. 1 economic pitfall.

The whole emphasis in business is shifting from buying to selling, from a scramble to get goods to a drive to dispose of what is on hand.

That is conspicuous at the retail level. Department stores are back to rell (page 15); they don't see

rell (page 15); they don't see g inventories.

wer orders and canceling out tion is being paid to delivery y lines.

consumers' soft goods, may rd-boiled buying tactics.

ranting too much credit to

anks in 101 cities that report e. When the war ended, the

All the banks in the country nd the Federal Reserve Board

nding on Nov. 20—one loan the country.

es often encourages too much unded largely on loans—and owers pay up.

1947, notes that "bank bor-

HTLY

JND

#### BUSINESS OUTLOOK (Continued)

BUSINESS WEEK APRIL 5, 1947 rowers probably used loan proceeds to a certain extent in financing inventory speculation. . . ."

Yet the Federal Reserve Bank of Chicago finds that, of 76,600 loans outstanding in November, only 3,140 were secured by inventory.

The Windy City situation may be deceptive, though. The Chicago "Fed" goes on to point out that the figures don't show borrowings that may be to carry inventory but which are secured by other assets.

The Chicago bank concludes that there is no evidence of danger from the existing volume of inventories, and the Federal Reserve Bulletin sees "no clear indication" that inventory speculation is widespread.

Montgomery Ward & Co. is preparing for the worst even though the management may still hope for the best. The company set up a reserve of \$10,000,000 against possible inventory loss in its fiscal year ended Jan. 31.

Orderly reduction in prices—if the adjustment can be kept from getting out of hand—could be accomplished fairly painlessly in many lines where individual company profits for 1946 show that margins are juicy.

Earnings of cotton textile manufacturers, for example, are nothing short of spectacular. The same goes for tire and rubber companies whose output outran the fondest hopes, thus hoisting unit profits. And many retail establishments have record or near-record net.

Hard goods manufacturers, however, quite generally still need a good uninterrupted run before they will know whether their prices can give.

Operations are nearing the wartime peak and still the oil industry is worried about its ability to meet demand for gasoline and fuel oil.

For this year, at least, there is some question whether the industry has enough refining capacity. And if it does have, there won't be enough tanks to store the petroleum products turned out.

Oil men won't know how much of the government's 100-octane capacity to buy until (1) they see how the battle of the octanes is likely to go, or (2) whether the surplus plant is more valuable in petroleum chemistry.

Byproduct of the storage situation is likely to be a drive to get home heaters to increase the size of their own storage tanks. This will also help to spread the delivery peaks and valleys a little better.

Top oil researchers aren't worried about the future motor fuel supply even though petroleum reserves may one day peter out (page 85).

All heavy fuel oil can be converted into motor fuel if need be. Not that that's any consolation to users of heavy fuel oil.

More petroleum can be recovered from present wells-at a price.

Better engines, lighter cars soon will stretch available supplies.

Natural gas can be and is made into motor fuel; using about half of present gas reserves would add 50% to proved petroleum reserves.

More petroleum could be imported—but not at prices that would discourage exploration and more efficient recovery from U .S. fields.

Finally, there are "ultimate" sources. Our almost limitless supplies of coal and lignite will furnish synthetic gasoline; lignite now probably could be used if the price were 3¢ to 4¢ higher on gasoline. Then there are tar sands and oil shale; oil shale might raise cost 5¢ to 8¢.

PAGE 10

Contents copyrighted under the general copyright on the Apr. 5, 1947, Issue-Business Week, 330 W. 42nd St., New York, N. Y.

HE

Steel is Produc Engine Electric Crude Bitum

Miscel All ot Mone Depar Busine

RICES

Spot of Indust Dome Finish Scrap Coppo Whea Sugar Cotto Wool Rubbe

90 sto Mediu High Call lo Prime

ANKII Dema Total Comu Securi U. S. Other Excess Total

240 220 200

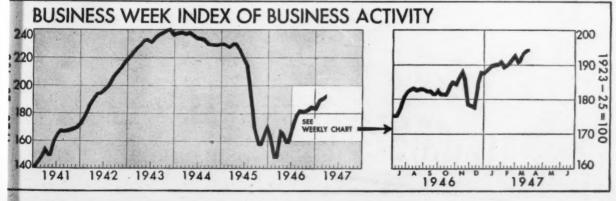
180

SINES

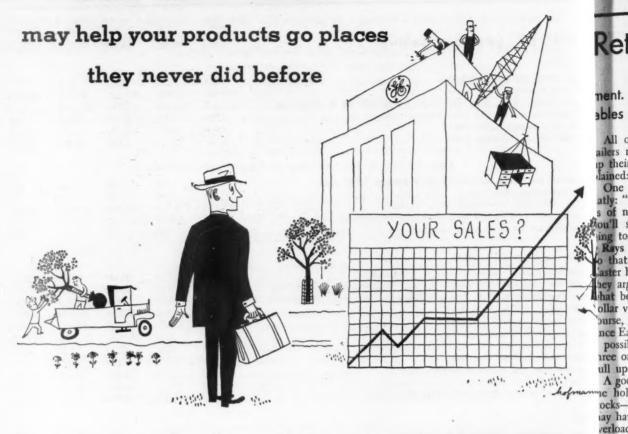
1404

### IGURES OF THE WEEK

ding Month	Latest Week	Year Ago	1941 Average
4.7 193.2	195.2	172.5	162.
7.0 94.4	95.4	87.1	97.
72 105,175		47,735	98.23
84 \$15,534		\$18,609	\$19,43
59 4,797	4,729	3,992	3.13
62 4,771	4,865	4,424	3,84
28 2,172	2,148	2,215	1,68
85 84	85	03	0
	56	82	8
56 55		52	50.61
42 \$28,262		\$27,912	\$9,61
% + 2%	12%	+12%	+179
47 74	63	18	22
5.4 415.9	422.7	273.3	198.
5.6 273.1	283.9	172.4	138.
5.7 336.9	348.1	239.6	146
82 \$69.82	69.82	\$63.54	\$56.7
50 \$36.67	37.33	\$19.17	\$19.4
0e 19.954e		12.000e	12.022
82 \$2.34	\$2.80	\$1.72	\$0.9
2e 6.12e	6.12¢	4.20e	3.38
2e 34.12e	5.81e	27.60e	13.94
50 \$1.587	1.550	\$1,330	\$1.28
5é 25.75é	5.75e	22.50¢	22.16
20.176	1174	22,700	44.10
	101.0	2.42.00	-
0.4 122.8	121.3	143.7	78.
% 3.14%	15%	2.94%	4.339
% 2.55%	53%	2.46%	2.779
% 11-11%	- / -	1.00%	1.009
% 1%	1%	4%	1-89
05 38,686	3,826	37,116	23,87
47 55,056	5.171	65,975	28.19
77 10,712	,070	7,464	6,29
00 2,056	.675	5.197	94
58 34,798	1,695	46,818	14,08
84 3,381	3,555	3,467	3,71
80 693	630	995	5,29
47 24,761	3,486	23,963	2,26
			atest Week" on each series



#### OUR NEW PLANT



If extreme heat—or extreme cold—or moisture—is a problem you have to lick, you'll be interested in the new plant we're building at Waterford, N. Y. That's where we are going to make some exciting new products—General Electric silicones. And G-E silicones may help your products go places they never did before.

What makes silicones so amazing—and so much discussed? It's the way they resist heat, cold, and weather. Oil made from silicones for example, continues to flow at 120 degrees below zero! Yet it won't ignite at temperatures as high as 575 degrees F. You can see what pos-

sibilities there are for an oil like that in super-stratospheric aircraft and similar applications where extreme cold or heat—is a problem. Then there's G-E silicone rubber. It retains its resilience in a temperature range between 55 below zero and 520 F.

Another development of General Electric's silicone research is a line of silicone resins that will change the appearance of a lot of things. Paints and finishes formulated with these resins retain their gloss and color indefinitely and offer something new in protection from weather, mild acids, alkalies, and other common deteriorants.

And when you think of silicont serious remember G-E DRI-FILM\*—the Wha water-repellent material. It promythin amazing protection for textiles, parhysics ceramics, glass, and plastics.

As soon as our new plant starts ators duction, we'll be making these siliceb.15' products in quantity. When will that Sometime this summer. But in the me time, many manufacturers are think about how they can use these rema able products in their own busines. For more information on silicones, we Chemical Department, General Elect Company, Pittsfield, Massachusetts.



GENERAL BELECTRI

### BUSINESS WEEK

NUMBER 918 APRIL 5, 1947

### Retail Sales Spree Ends

Easter shopping season has proved to be a big disappointment. Soft-goods sales off sharply, but continued demand for durables held dollar volume up. Price break seems to be in the cards.

All over the country this week re-ailers made sour faces as they added up their sales figures. Not a few comlained: Easter this year laid an egg.

One New York textile man says atly: "The boom in soft goods is over s of now. Stick around a while and ou'll see the hard goods start slip-

Rays of Hope-Most retailers won't o that far, though. They admit that aster has been a disappointment. But hey argue that, after all, it was some-That better than last year in terms of ollar volume. By prewar standards, of burse, it would have been terrific. And nce Easter came early this year, there's possibility that sales over the next aree or four weeks will be enough to ull up the average.

A good many stores will come out of e holidays with uncomfortably large ocks-especially in fashion lines. Some iay have trouble wiggling out of their verloaded position. But barring a sudlico t seriously hurt.

Elec etts.

he What worries the retailers more than promything else is the fact that unit sales siliceb.15'47,p15). One big New York store has analyzed its sales data for the past 50 years or so. It has found that in every serious slump the first tipoff was a drop in unit sales.

· Weakness in Soft Goods-It is hard to read the figures this year because lines are coming back on the market that haven't been seen for years. And geographically the situation is spotty. But the reports now trickling in add up to a fairly consistent picture.

All the weakness this season has been in soft goods. Women's and children's

wear is hardest hit.

Durable goods are still going as fast as they hit the sales floor. So far, the roaring business in durables has been enough to pull total dollar volume above last year. Otherwise, most stores would be showing a slump in gross.

• Department Store Picture-Statisti-

cally, the story is this:

The Federal Reserve Board's index of department store sales (dollar volume) was 12% higher than 1946 in the week ended Mar. 22. In the following week, New York department stores, which have been running about even with the national average, showed a gain of only 9% over 1946. Spot reports indicate that during Easter week itself sales picked up a bit, but not enough to make a significant difference in totals for the season.

For the four weeks ended Mar. 22. the average for all districts shows a gain of 10% over 1946. Boston and Philadelphia stand at the top of the list with 16% each. Kansas City is at the bottom with only a 2% gain. Dallas is next with a scant 3%.

During the past year, department store prices have gone up some 15% to 20%. This has been partly offset by the reappearance of some of the me-dium-price lines that vanished during the war; but merchandising experts agree that a gain of only 10% in dollar volume over last year for the country as a whole is a sure sign that unit sales are running under 1946.

· Spot Check-A check with some of the big retailers in leading cities shows that the experience of most stores fits into the pattern the statistics trace out.

A nationwide chain of department stores describes its sales this Easter as "fair but no better than fair." New England and Pennsylvania have been the brightest spots in its sales map. Ohio and Georgia have been the most disappointing.

In Chicago, Marshall Field & Co. says sales have been about what it expected—up slightly in dollars, down a little in units. Two other Chicago stores have had the same experience.

One blames the weather.

In St. Louis, a quality department store says dollar volume is about 11% over last year; unit sales are off 4%. A middle-class store reports about the same dollar volume with unit sales down 5%. Ready-to-wear clothing and yard goods are the weakest lines.

Cleveland, hit by a blizzard, had to knock two shopping days out of the



Looking in 1947 ...

Buying in 1946

#### Midwesterner to A.A.R. Presidency

Directors of the Assn. of American Railroads drew a deep breath of satisfaction this week as William T. Faricy, former vice-president and general counsel of the Chicago & North Western R.R., took over as the new president of the association.

The A.A.R. has been looking for a new top man since last November, when John J. Pelley died. In the interval, Judge Robert V. Fletcher, vice-president and former general counsel, has been handling the job

(BW-Dec.21'46,p8).

Picking a new president for the A.A.R. was ticklish business. In personality, prestige, and experience the association's chief must rank with any railroad president in the country. But most rail executives cling to their own lines. They are reluctant to take a nonoperating job, particularly one that exposes them to the rough-andtumble of association work.

Railroaders think Faricy will prove an ideal man. He is comparatively young (54 last month). A midwesterner, he will please the roads that have complained that big eastern lines swung too much weight in the association. Associates know him as

an able organizer and a good man in a fight. The A.A.R. probably will be able to use both these talents in such matters as the government's pending antitrust suit, the Georgia freight case, and relations with the association's self-styled rival, Robert R. Young's Federation for Railway



William T. Faricy

week ended Mar. 29. This pulled sales well under the 1946 level, but the stores hoped to regain most of their ground this week.

Indianapolis stores also complain of the weather. One big store says unit sales are off and dollar volume is having a hard time keeping up with last year. Another says unit sales are up 1%, dollar volume up 6%.

In spite of their lagging sales, most stores say they don't expect any substantial drop in prices for another three months or more. They look for a limited number of post-Easter clearance sales, but nothing that would knock the bottom out of the market. And analyzing customer reaction at their own counters, they say that buyers are resisting poor quality rather than

• Twice Bitten-When they talk about new orders and inventory policies, how-ever, store managers tell a different story. Many of them have been stuck twice now-once on Christmas sales, which were good but not so good as retailers had hoped, and again on the Easter season. They don't intend to let it happen again.

As the head of one chain put it: "We can get the goods anytime now; there is no reason why we should carry the risk." The president of a big midwest-

ern store said the same thing another way: "Things are getting back to normal now. We are going to keep our orders short so we can keep in step with buying and changes in styles."

• Repercussions—This hardboiled in-

ventory policy already has caused some queasiness in apparel manufacturing. And a number of wholesalers have been caught with goods that won't move except at bargain prices. For instance, Butler Bros., one of the largest drygoods wholesalers, has just reported an operating loss on its first quarter's business and "heavy markdowns" on merchandise in stock (page 68).

Reports of this sort make some of the old hands at retailing wonder if the break in soft-goods prices isn't a good deal closer than most stores think. It will take time for the process to work itself out, they say, but there is nothing like a few bad inventory losses to blow the whistle on a boom. And if sales continue to drag after Easter, something will have to give.

#### LIQUOR PRICE CUT

A long-expected break in the liquor market (BW-Mar.15'47,p26) came this week when Schenley Distillers cut the price of Golden Wedding, one of its leading blends. In New York the comedown was from \$4.06 to \$3.63 a both

Meantime curtailments in product began to appear. Schenley, Brown-F man, and Publicker Industries, all notchers, announced this week that t had "moderated" their output. H cost of whisky that might have to ınkin sold years hence at an entirely differ level was the reason.

Distillers cite that rye now costs th \$3.53 a bu. compared to \$2.35 a ago, while corn is \$1.84 compared rels, and other cost elements are up as a fe proportion. National Distillers ah is (which specializes in straight whisky a is building inventories) was among he he mo companies that did not follow suit.

cĥa

Te

The

ations .

peratio

clea

GAO'

er tha

ons-c

have

The u

Owing to tie-in sales (which foreworks. dealer to accept wines and rum to Less' the whisky he must have) retail storie ator ooned space and wholesale warehouses somed bursting. Price cuts to move tie hairma items are universal. In New York house could buy for \$1.96 a bottle of rum Democratic which taxes were \$1.81. Adjustment ress th whisky prices to the trend was incerfect table. he Ger

#### PLUMBERS ACQUITTED

une 30 The U.S. Government's seven-y old conspiracy case against a major ment of the plumbing industry (Blealth. Mar.30'46,p21) this week went done report the drain. In the U.S. District Coation to in Cleveland, Judge Robert N. Wilrto cor acquitted the 58 defendants. f TVA

He ruled that the evidence failed Its O show a nationwide conspiracy to cow, T trol distribution of plumbing good Capi Moreover, he held, a defendant's riontinua to his day in court is seriously diluitation when he is forced to share it with prosed or more other defendants.

The 58 acquitted were the last of leen ple defendants named in indictments turned on Mar. 29, 1940. They cluded manufacturers, wholesalers, bers, trade associations, master plur a bur ers' groups, plumbers' unions, and dividuals. All were accused by the dividuals. All were accused by the street in ernment of a conspiracy, which alleged to have resulted in a 25% pret m crease in plumbing costs.

When the case was ready for them, the country was at war, and agreement were made to postpone it. The time And were made to postpone it. The taditor and the finally got under way on Nov. 18, 19 But by that time nine of the defendance and 16 had entered pleas nolo contendere and had paid fines. The government rested its case Feb. 18 with defense attorneys filing dismissal of charges. There were

dismissal of charges. There were measured bjections by government attorn wer co against the earlier dismissal of 19 fendants, nor against the disposal of wer that remaining 58 by the Wilkin orde which cannot be appealed.

Estimated costs of the case to government and defendants: \$3 million, had

### and of TVA "Yardstick"?

Auditors give Authority clean bill of health, but suggest Additional give Administry clean bill of fleatin, but suggest to unking of "30-in. yardstick" used for measuring private power liffer ares. Would also give Congress more to say on agency's finances.

ts the Republicans get the credit for most of ared to changes being made in Washington alculate days, but the Democrats are turnbak have days, but the Democrats are turned up ng a few worms themselves. One of the Coley minority party's most striking reversity and is to be found in its treatment of Tennessee Valley Authority, long most sacrosanct of all New Deal

ses sooned Gordon Clapp's nomination for ticharmanship of TVA before an upper ork touse subcommittee. Now comes a rum Democratic appointee to report to Connent ress that things are somewhat less than

it.

The occasion is an audit report by he General Accounting Office's Corpoen-youne 30, 1945. All in all, it gives TVA (Byealth. But the significant fact is that dohe report suggests the passage of legis-Coation to circumscribe slightly the hith-

iled Its Own Way-For fourteen years to cow, TVA has had things its own way good Capitol Hill. Aside from McKellar's riontinual, ineffective forays, TVA's legible in ways of lived only large ground for the large ground f ith prosed lived only long enough for refrence to committee. Its funds have of cen plentiful and its praises lavish. turn up with the proper decisions. GAO's report on TVA is only another S, burgeoning line of stingers which we wounded Washington feelings. artier reports brought loud cries from FC. Others are shortly expected to poet more agencies. All government proporations will be reported on—some of them, including TVA, more than ene and Author of all this woe is T. Colembrate and Andrews, one-time Virginia state and accountant because of the control of the nda going into government service as east of Corporation Audits.

ardstick Junked-The TVA report,

ise VA's favorite myths: the "yardstick" hich its power program was to furnish measurement of the privately owned orn measurement of the privately owned orn over companies. The yardstick's chief of the centre of th ordenons—especially the fact that it does ot have to pay federal income taxes.

The utilities, long bitterly aware of ailling, had ineffectively dubbed the TVA

to Less Than Perfect—It was Democratic stories and Kenneth McKellar who harinterfect in Knoxville.

ations Audits Division on TVA's power perations during the fiscal year ended clean-though bob-tailed-bill of Wilrto completely autonomous operations f TVA. measurement the "30-inch vardstick." Now the report admits that the utilities were right-TVA's power operations are "not to be compared with private power operations.

· Accounting Changes-The yardstick splintered, GAO suggests specific accounting changes. Expenses properly chargeable to power operation at least should be shown, the report contends; and some of them should even be charged. It wants TVA, rather than the Treasury, to pay for injuries and claims to TVA employees. This should be done retroactively; and claims chargeable to construction should be capitalized, and interest paid on them.

Interest, says GAO, should be paid on the entire \$400,000,000 power operation, not just on \$61,000,000 of it, as the law specifies. And interest should be at the prevailing Treasury rate for long-term money, not 1.5% below it. Beyond this, GAO would like to see TVA's accounts show depreciation on land rights and clearing, and on costs for removal and relocation of the dispossessed. But

it does not recommend that TVA pay for them.

• In the Black-The report expresses the belief that in fiscal 1945, TVA earned a sum "more than adequate to cover all costs, including those which we recommend." But it adds that this praise can't be conclusive until TVA gets a balance sheet that shows all the costs.

Next, the GAO report suggests that a definite plan be laid down for TVA to amortize all power investment, with interest. To do this, it wants to repeal Section 26 of the TVA Act. Under Section 26, TVA is required, first, to return all power revenues to the Treasury every year (except for a \$1-million emergency fund). But Section 26 also contains a qualification: TVA can keep as much of those power revenues "as in the opinion of the board" are necessary to operate TVA's power business. Result: The first payment of revenues to the Treasury since it was established in 1933 was made in 1945; previously TVA had plowed all revenues back into equipment and operations.

• New Financing Plan-In place of Section 26, GAO wants to substitute an eleven-point program, which would give Congress more to say about TVA financing. The plan would:

(1) Determine TVA's over-all capital requirements and write them into law; then provide that future capital require-



#### BACK 'EM UP, STACK 'EM UP

To help solve the omnipresent parking problem, the Sanders brothers of Spokane, Wash., use a special hydraulic lift truck and a four-tiered rack. With the Sanders stacking arm on a Hyster fork-truck, an attendant can stow your auto on the top deck in less than two minutes. The one loading arm made so far fastens on the knee action assembly, not on the axle. Counterweights on the truck provide 100% compensation for the load it lifts. The device might be adapted to garage use.

ments from the Treasury come as subscriptions to capital-after scrutiny and

appropriation in Congress.

(2) Permit TVA to borrow only from the Treasury-and at going rates. Books would show all power investment, and a statutory plan would govern repayment -with interest-of all power capital. Net power income would go into earned surplus, ultimately to be repaid with

(3) Forbid direct appropriations for dams, reservoirs, and other power facilities. Additions to the basic system would come through new capital. Extensions of existing plant could be financed more easily, justified after installation rather

than before.

(4) TVA would get separate budgets for its nonpower (nonrevenue-produc-ing) operations. Two other minor changes would free it of much unnecessary and wasteful red tape.

• Kind Words-But despite all these suggestions, the report has more than a few kind words for TVA. Its accounting is accurate, say the professional accountants, and the authority is "one of the foremost government corporations in the use of accounting in management, comparing quite favorably in this respect with well-managed private corpora-

As for its management, TVA is "entitled to the highest commendation for the effectiveness with which the authority functions and for its accomplishments in carrying out the functions of the TVA act." Just to show it isn't mad, GAO adds that its accounting recommendations are no criticism of

TVA's management.

### Farm Crop Outlook Bright

Southern planters are getting a late start, but another bumper U. S. harvest is foreseen. Excellent condition of the winter wheat is a good omen for bread-grain bonanza in 1947.

After all these years of almost unbelievably good crops, what will 1947 be like? Last week businessmen (for whom farmers are both a market and a source of supply) and farmers (for whom businessmen are ditto) had that question high on their lists.

• Predictions—Consensus of the prognosticators who try to keep one eye on the heavens and the other on the soil

is that:

· Crops may be a little late coming

along this season.

 But 1947 will be another year of walloping harvests; the U.S. still should be able to do its part in world feeding handily next winter if called upon.

 Delay in South-Cold, wet weather has held up planting and growth of truck crops and cotton as much as three weeks in parts of the South. Yet it still is early enough to make up lost time. Moreover, the chill has retarded fruit buds, thus prolonging their protection against late frosts.

And on the West Coast weather has been helpful, while in other parts of the country it is too early even to give

much thought to spring planting.

• The Wheat Is Greening-Most critical problem-and one on which returns to date are most pleasant-is, of course, the progress of the bread grains. Winter wheat is greening northward to southern South Dakota and the lower Great Lakes region. There is little evidence of winter kill; subsoil moisture almost everywhere is ample and surface moisture has improved in the last month.

In fact, all present indications are that the Winter Wheat Belt's harvest

will go a long way toward starting the country off to another bumper crop far above the billion-bushel mark. Some say more than 1,200,000,000 bu., although that takes for granted a good yield for spring wheat whose seed is not yet in the ground.

 Average—More than 56,400,000 acres were planted in winter wheat last fall, a gain of 4,200,000 over the 1946 acreage which produced a record crop

of 874,000,000 bu.

About corn, upon which the country will depend so largely for livestock and poultry feed in the 1947-48 season, little can be said other than that advance indications are auspicious. The same goes for most of the other major crops.

#### An Informed Guess

A lot of things can happen between now and harvest time, but the U.S. Dept. of Agriculture has made a tentative guess on 1947 harvests. It is based on farmers' indicated planting intentions as of Mar. I and assumes yields about the same as the average of the five booming years of 1942 through 1946. The figures (000 omitted):

	1946	1947	
Wheat (bu.)	1,155,715	1,212,000	
Corn (bu.)	3,287,927	3,000,000	,
Oats (bu.)	1,509,867	1,397,000	
Barley (bu.)	263,350	262,000	
Soybeans (bu.)	196,725	190,000	
Peanuts (lb.)	2,075,880	2,000,000	
Rice (bu.)	71,560	72,000	
Potatoes (bu.)	475,000	355,000	
Sugar beets (tons).	10,666	11,500	

### Textile Integration introduction in the less

Statistics compiled by Cotton-Textile Institute show wartime merger trend wasn't sweeping as had been estimated

on.

cau

th of

on tren

l'aple

All through the wartime boom, to All through the wartime boom, to po men felt that mergers and acquisit were changing the whole structurate their industry (BW-May18'46, eriod him. But the trend was hard to docum But the trend was hard to document and harder to measure. Even the tiken production and distribution is the production and distribution. terns of production and distribution just it

Now, with Congress and various claimt ecutive agencies poking into the subarreter of corporate mergers, statisticians for are digging out some yardsticks to alongside this much debated trend.

• Facts-Last week Dr. C. T. Mu Contin son, president of the Cotton-Textile reign-le stitute, in testimony before the H S, w Judiciary Committee put it this impany (1) The merger trend has been sig set u cant, but (2) still not as sweeping m, Ho good many textile men and outside of disc nomists thought.

Contin The institute's figures show The institute's figures show ds a n about one-fifth of the cotton-textile foreign dustry's capacity changed hands ant wi tween the beginning of 1940 and essing end of 1946. But some 24% of s thr sales represented only a simple chacned. of ownership, involving no combinato folk with other mills. Another 8% to Euro sales to machinery dealers, presuma for resale. Therefore, Murchison cluded, not more than 68% of sales could have resulted in vertical horizontal integration of one sort or other. These sales involved about 3.0 000 spindles, or 13% of the indust total capacity.

• The Statistics-The institute bro its figures down thus, in terms of s dles involved (since most cloth m produce their own yarn, they are tomarily rated in terms of spind

rather than looms):

Acquisition of yarn and cloth mills,

		%
	No. of	Tot
	Spindles	Acqs
Type of Purchaser	Acquired	tio
New ownership (no combina-		
tion)	1,050,088	2
Machinery dealers	375,756	
Horizontal combination	795,088	17
Vertical integration:		
By other mills	311,576	
By selling agents	679,577	13
By converters	665,616	13
By end-use manufacturers	230,588	
By cutters	277,096	
By wholesalers	48,160	1
Total	. 4,433,54	5 1

Murchison was arguing against a p posed amendment to the Clayton

ceilin

oft-

sed

Tigobibit mergers that would substanny irea. He was also shooting at the on, which implied that at least oneof the cotton-textile industry had caught up in the vertical integrama an trend in the last three years (BW-

Triple-Barreled-His argument on points was three-pronged:

(1) The extent of the trend toward

uisit cture ration during the war and postwar 46, and has been exaggerated;

ocun (2) The consolidations that have

n, tel

he he he place have helped to increase of ficency;

mal (3) The industry must be free to renation liust itself if it is to avoid slipping riou ch into the chronic depression that subarreterized it before the war. is fi

#### as to . S. MUSIC FOR EUROPE

Mu Continental Record Co., a leading extile reign-language record maker in the e H.S. will go continental this year. A his impany executive is leaving for Europe 1 sig set up a \$75,000 plant at Amster-ing m, Holland, which will produce 50,side 10 discs a month.

Continental produces 900,000 recow ds a month in the U.S., pressing in extile foreign languages. The Amsterdam nds ant will be equipped with American and essing machinery. Distribution facili-of a throughout Europe are to be chacned. The company will sell Amerbinan folk, spiritual, and jazz records in

% European market.

### Stalemate in Home Building

National survey shows sharp cutback in "starts" of private dwellings in many areas, mainly because of buyers' resistance to higher prices. But Miami and Atlanta are major exceptions.

Home builders lately have been telling each other that something is wrong. Millions of people are looking for a permanent place to hang their hats. But just as surely, buyer resistance is developing against current prices (BW-Feb. 22'47,p17). A gradual-but steady-decline in plans for construction of new houses by now has grown into a most sizable fact.

• National Sag-Last week Engineering News Record (a McGraw-Hill publication) completed a 22-city survey on the home-building situation. Its findings will confirm, on a national scale, what many a builder is experiencing locally. In

• The public will no longer snap up any house at any price.

· Builders often find that their product remains on the market an uncomfortably long time.

 In a significant number of cities, prices of older properties are sagging

• Who's to Blame?-As might be expected, everyone in the industry blames everyone else. Builders inveigh against labor for increased wage demands and for low productivity. Labor attacks high material costs, charges contractors with inefficiency. Real estate organizations accuse builders of shoddy construction.

contend banks are stiffening mortgage loan policies. And so it goes.

Findings adduced in the survey were based on spot checks in these 22 cities: New York, Chicago, Milwaukee, Boston, Washington (D. C.), Atlanta. Memphis, Miami, Austin (Tex.), Minneapolis, Detroit, Cleveland, Kansas City, St. Louis, San Francisco, Seattle. Buffalo, Houston, Indianapolis, Little Rock (Ark.), Oklahoma City, and Phoenix (Ariz.).

• No Uniformity-Effects of buyer resistance have not been felt uniformly over the country. Hardest hit areas appear to be in the North and the Southwest. In the Southwest, however, there was little evidence of any slackening in home building or planning.

Typical of findings in various cities: In New York, the Long Island Builders Institute reported that members are "drastically" revising 1947 schedules downward, cited a 65% drop in newhome construction in 1947 compared with the like 1946 period.

In Chicago, the number of starts on new residential construction will be considerably less than a year ago. February starts numbered 699, down 32% from the February (1946) total. One reason: a 23% rise in average cost per room over the past nine months, from \$1,529 in April, 1946, to \$1,880, in January, 1947

Boston and Seattle reported the value of permits for new housing almost halved.

San Francisco builders, while admitting that activity is "about on the level" of 1946, said they were planning a 40% cut in building for the full year. (One exception: Kaiser Community Homes, Inc., which said it was selling all its \$8,000 to \$10,000 homes before completion.)

In Milwaukee, 107 home building jobs were started in February; a year ago 186 were started.

In Austin, work in progress and in sight is barely half that of a year ago.

Cleveland reported 101 fewer permits in the first two months of 1947 than in the like 1946 period.

• Exceptions-Similar situations were recorded in all other cities except Miami and Atlanta.

Miami is planning 5,000 or more units this year.

Atlanta looks for 8,000. Home construction in the first three months of 1947 has far surpassed that for the like months of 1946.



#### STUDY IN STRIPED LIGHTING

The eyes of 150 design engineers in Austin Co,'s drafting room, Cleveland, ceiling is the thing. Its entire 70-ft. length is striped with fluorescent units 45 1 25sed between the welded rigid frame arches. Each unit has one daylight and soft-white tube. The system permits a uniform lighting intensity of 90-ft. t a palles over the drafting tables, reduces eye strain.

### YESTERDAY, HIGH BRASS OF ARMED FORCES .



orld Th ther back

reco ary n nced a de parti

on

ans

to dy do

INE

#### TODAY, HIGH BRASS OF INDUSTRY

orld War II poured many big industrialists into uni-They worked with military career men, each taking ther's measure. When peace came, the businessmen back into tweeds to tangle with the problems of peacereconversion. With them went many professional ary men, persuaded to go by the industry volunteers, or nced that business presented a more attractive future a demobilized war machine. Retirement was also a facparticularly since the policy of both services is to prage older officers to make room for the younger men. presentative of those assuming positions of leadership dustry are these 20 former high-ranking career officers: et Adm. William F. Halsey, former commander of Third Fleet, now a member of the board of directors ternational Telephone & Telegraph Co.

n. Brehon B. Somervell, former commanding general,

Service Forces, now president of Koppers Co., Inc. m. Ben Moreell, former Chief of the Bureau of Yards ocks and Coal Mines Administrator, now chairman of oard, chairman of the executive committee, and presi-

of Jones & Laughlin Steel Corp.

Gen. James H. Doolittle, former commanding gen-Eighth Air Force, now vice-president of Shell Union

Gen. Levin H. Campbell, Jr., former Chief of Army ance, now vice-president of International Harvester Co. Gen. Barney McK. Giles, former commanding general my Air Forces in the Pacific, now vice-president of Air ciates, Inc.

Gen. Holland Smith, former commander of the Fleet ne Force, Central Pacific, now a member of the board

rectors of the Port of San Francisco.

Gen. Harold L. George, former AAF representative .N., now president of Peruvian International Airways. ear Adm. Harold B. Miller, former director of Public Information, U.S.N., now vice-president in charge of public relations for TWA.

Rear Adm. L. R. Richardson, former Deputy Chief of the Bureau of Aeronautics, now executive assistant to the president of Curtiss-Wright Corp.

Rear Adm. Joseph Redman, former director of naval com-

munications, now vice-president of Western Union.

Maj. Gen. Ralph Royce, former commanding general, Personnel Distribution Command, AAF, now an executive of the recently organized Great Northern Air Lines, awaiting CAB certification.

Maj. Gen. Clayton B. Vogel, former commanding general, First Marine Amphibious Corps, South Pacific, now representative of Schenley International Corp. in India.

Maj. Gen. Henry J. F. Miller, former commanding general, Ninth Air Service Command, now executive vice-president of Boots Aircraft Nut Corp.

Maj. Gen. Walter H. Frank, former special missions expert for the AAF, now executive of Sears, Roebuck, S. A. Commercial e Industrial, Rio de Janeiro, Brazil.

Brig. Gen. James C. Marshall, former director of the Corps of Engineers, Manhattan District, now with the engineering staff of M. W. Kellogg Co.

Brig. Gen. James K. Herbert, former commanding officer of the Los Angeles Port of Embarkation, now president of

Roma Wine Co.

Brig. Gen. Walter J. Reed, former commanding general, Seventh Air Force Service Command, now in charge of Sears, Roebuck de Mexico, Mexico City.

Brig. Gen. William W. Welch, former Chief of Staff,

AAF Training Command, now technical assistant to the

general manager of Fairchild Aircraft Corp.

Brig. Gen. Milton W. Arnold, former Operations Chief, Air Transport Command, now vice-president in charge of operations of Air Transport Assn.

### ome on Pennsylvania Range

Texas' King Ranch clan finds Keystone State's fox-hunting ion ideal for final cattle fattening prior to eastern marketing. ss is lush; cattle thrive on it. Big shipment due.

eginning early next month, carloads hiteface steers will debark in Ches-County, Pa., to disperse in the green ures with bellows that have a Texas vl. They represent a revolutionary ect in beef production launched by renowned King Ranch.

bject is to utilize the lush meadows ennsylvania's fox-hunting region to the final fat and finish on cattle ined for eastern tables as roasts and ins. A considerable chunk of Ches-County scenery thus becomes a virannex of the King Ranch where steers are bred.

access a Habit-Success of the me would mark another contributo the cattle industry by the Kledynasty, lords of the 1,250,000domain on the mesquite plains of

Onlookers from the Lone Star State bet that the Kleberg luck will hold. The evidence is on their side. A King Ranch horse (Assault) won the last Kentucky Derby and other rich purses; oil has been found on the property (BW-Dec.7'46,p22)

• Fleeing the Dry Spell-The Klebergs are great cattle breeders. They developed their own beef strain (the Santa Gertrudis), using Brahman bulls from India to increase resistance to Texas heat and Texas pests. But not even the Kleberg breeds can fatten on poor pasturage. And as summer advances in the Southwest, streams dry up and the range becomes parched.

Common practice has been to move cattle to more certain pasturages in Kansas and Oklahoma during the summer. Many Texas steers are also sold directly to farmers in the Corn Belt. There, the animals are fattened, insuring their arrival in Chicago or other midwestern stockyards at top weight.

· Eastern Finish-This pat arrangement would not work on consignments destined for the East. Feed supplies were inadequate and large grazing areas hard to find. The alternatives were to send finished cattle or dressed meat to the East. But the cattle lost a profitable part of the "finish" in transit. And dressed meat books a high freight rate on the long haul from the West.

Now Robert J. Kleberg II, president of King Ranch, thinks he has the answer to the eastern finishing problem in the rolling hills only 30 miles from

Philadelphia.

• Following the Hounds-The idea is a byproduct of Kleberg's interest in fox hunting. At various Pennsylvania meets Kleberg ran into his old friend W. Plunket Stewart. Stewart, a retired banker, is Master of the Chesire Foxhounds, one of the country's most exclusive hunt societies. Galloping over Stewart's estate, Kleberg found his mind wandering from the fox to the pasturage underfoot. The fields were green and well-watered, a perfect layout for putting those extra pounds on Kleberg steers. Here was the germ of a business deal.

Stewart agreed to rent Kleberg 4,800 acres of his land. Two years ago Kleberg sent in 500 head to begin his test. They fattened nicely, sold well in eastern markets. To make sure, Kleberg broadened his project. Last year he sent 1,528 animals to Chester County with

the same gratifying results.

· Big Push-Convinced at last, Kleberg will send 4,000 steers to his Pennsylvania finishing grounds between May 1 and Oct. 15 this year. Meantime he has been extending his holdings. He leased 3,000 acres from the Chesire Land Co. Last summer when Lammot du Pont decided to sell his 4,200-acre estate adjoining Stewart's, Kleberg bought it. That gives him a total of 12,000 acres as a postgraduate range for his steers.

To boss his eastern ranges Kleberg hired Thomas P. Harney, manager of a Pennsylvania estate. Last spring Harney went to the King Ranch to absorb its

lore and doctrines.

• Pennsylvania Cowpunching-Don't be surprised if you drive through Chester County this summer and hear cowboys crooning Home on the Range to an appreciative audience of steers. One of the Pennsylvania cowpokes is Carlin (Skipper) Lofting, who hails from Montana. He admits that his home state has more space and higher mountains, but he "never saw the likes of the grazing-the clover and the bluegrass-that we got here."

Lofting estimates that the luxurious Pennsylvania greens will put up to two lb. a day on a steer, compared to 11 lb. in sunburnt Texas. In the Lone Star State over twelve acres are required to feed one animal; in Pennsylvania

• East Has Its Rustlers-When the first steers arrived from the King Ranch two years ago they landed during an acute meat shortage. They were a long way from the bad men of the West, but the East had its own rustlers. Residents reported finding hides and other signs indicating that three of the steers had been stolen and slaughtered.

The local covotes are warned that they had better not try any such tricks this year. Kleberg has recruited a larger staff of punchers for his 1947 consignment. They are bowed as to legs, thin as to hips, slow as to speech. Neighboring farmers regard their lassos with awe and there is talk that some of 'em

tote six-shooters.

#### ALCOA FIGHTS BACK

Aluminum Co. of America this week called for a showdown in the antitrust case that's been hanging over its head

for ten years. Two years ago the United States Circuit Court of Appeals ruled that Alcoa held a monopoly on the U.S. aluminum ingot market. But the court also noted that government disposal of war-built aluminum capacity might insure competition in the aluminum industry (BW-Mar.17'45,p7). Ultimate disposition of the case was left to a lower court.

To back its claims that, whatever it was in the past, it no longer is a monopoly, Alcoa cited these figures:

It now owns or controls 43.7% of the privately operated alumina plant capacity, 50.6% of the aluminum smelting capacity, and 48.4% of aluminum sheet fabricating capacity.

Alcoa's major competitors are Reynold's Metals Co. and the Henry J. Kaiser interests. Both have obtained surplus government aluminum plants. Alcoa got no surplus alumina, alumi-

num, or sheet plants.

Reynolds, Alcoa informed the court, controls 35.9% of alumina, 29.4% of aluminum, and 29.9% of the sheet capacity. Kaiser controls 20.4% of alumina, 20.4% of aluminum, and 18.5% of the sheet capacity.

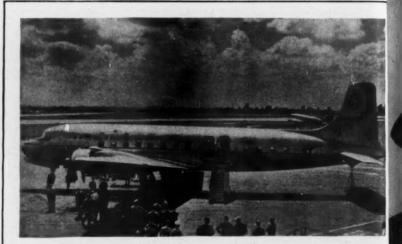
#### Publishers' Boge

Magazines contend bil raise second-class postal ra would cut Post Office's reven sharply, its expenses little.

Magazine publishers, already har by increased production, labor, and torial costs, early this year acq another bogey: the threat of his postal rates. The greatest deficit in history of the deficit-ridden Post ( Dept. had resulted in H. R. 2408to increase most postal rates inclu those on second-class matter (B)

Feb.8'47,p22).

• Service, Not Profit—This week
National Publishers Assn. presented case against the bill before the Har Committee on Post Office & Civil S ice. It reminded the committee Congress had originally established orable second-class postal rates for odicals for a good reason. It was the purpose of the Post Office is to the people by disseminating infor



#### New Firsts All Over the Sky

When Pan American World Airways announced last year that it would get the first DC-6 delivered, the claim was quickly denied by rival lines, also waiting patiently for the big new Douglas liner. Last week all the claims paid off.

On Mar. 23, Panagra-a Pan Am subsidiary-announced that the first commercially licensed DC-6 was delivered in Miami (above) after a record-breaking 2,400-mi. transcontinental flight in 7 hr., 14 min. (This beat a 1945 Constellation record by 52 min.)

Six days later, at a fancy dual cere-

mony in Los Angeles, Donald W. Douglas presented the "first" DC-6's to the United Air Lines and American Airlines. United promptly put its plane into the air, flew 2,453 miles to New York with a terrific (150 m.p.h.) tailwind. Elapsed time: 6 hr., 47 min., 37 sec.

mo

eric

the a

scop

vice

eve

The 52-passenger plane has a gross Puri weight of 84,000 lb., a maximum pron cruising speed of 306 m.p.h., an operational range of 3,930 mi. It is powered by four Pratt & Whitney 2,100-hp. engines. It is 100 ft., in. long, with a wing span of 117 ft.,

6 in.



more than a hundred years, each step forward in erican industrial methods has been faithfully reflected the specialization and development of Ryerson steel. the specialization and development of Ryerson steel. out the coming of each new manufacturing technique, scope of Ryerson stocks has been increased to include potential requirements of the operation. And Ryerson rice methods have been steadily developed to meet ever-growing demand for speed and dependability. During these days of critical shortages, Ryerson policy prompt personal attention to each order remains the me. Whether your requirements are measured in pounds tons, they receive the immediate consideration of

e.

reck

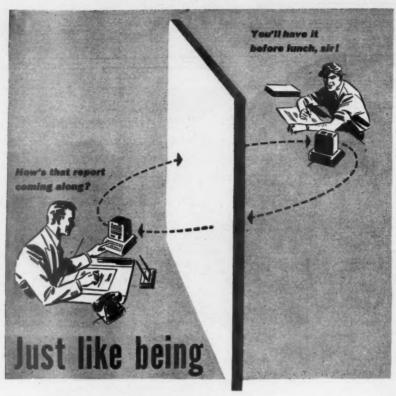
hed for vas tos nfo

> experienced steel men. And if the steel you need is not readily available from stock, every effort will be made to find an alternate to serve your purpose.

> So contact Ryerson when the continued progress of your operation depends on steel. Whether your business consists of a one-room machine shop or an industrial empire, you are always assured of our fullest cooperation and the benefit of unequalled service facilities.

Joseph T. Ryerson & Son, Inc., Steel-Service Plants: New York, Boston, Philadelphia, Detroit, Cincinnati, Cleveland, Pittsburgh, Buffalo, Chicago, Milwaukee, St. Louis, Los Angeles.

RYERSON STEEL



### in the same room!

You don't waste a second with Executone, the modern electronic inter-com! You just press a button ... and talk!

Instantly — with split-second speed—your voice is carried to the person you want to reach. In your office, the reply comes back clearly and distinctly. You never have to wait for an open line to "get through" to your associates.

Executone eliminates the endless running to and from office to office. It frees your switchboard for outside traffic. Conserves energy, reduces errors, saves man-hours—increases the efficiency of your whole organization. Executone boosts your capacity to get more work done faster.

You owe it to yourself to get the whole story. The coupon below will bring it to you!

#### Unconditionally guaranteed!

Executone Inter-Com Systems are individually engineered to your requirements. Installed and serviced by factory-trained specialists in principal cities. Over 100,000 successful installations prove Executone's dependability and leadership in the communication field.

Two stations cost as little as \$61.

Systems with up to 100 stations available.



Mail Coupon for Further Information

EXECUTONE, INC. Dept. D-1, 415 Lexington A	Ave., New	York 1	17, N	. Y
--	-----------	--------	-------	-----

I am interested in data on Executone. 

Please send literature.

☐ Please send interature.
☐ Have representative call. No obligation.

Name	Firm				
	Co				

tion, rather than to produce revent make a profit.

The association declared that rates are not a subsidy to big publis as alleged, but a primary benefit to reading public. The publishers nounced H. R. 2408-or any assu tion that the postal service must its own way-as contrary to this po · Cost Ascertainment-But if the is to be changed, they continued, 2408 is no way to do it. Their prin grievance is an old one: that the posed rates, like present ones, are on the "cost ascertainment" prinadopted by Congress in 1924. This tem determines each postal ser pro-rata share of the department's eral operating expense by mathema formula, making no allowance for tive priority or economic values.

ascertainment" is contrary to acceprinciples of rate-making. They tended that the big, general magazing which are the chief target of H. R. I are now more nearly paying their than any other kind of publication.

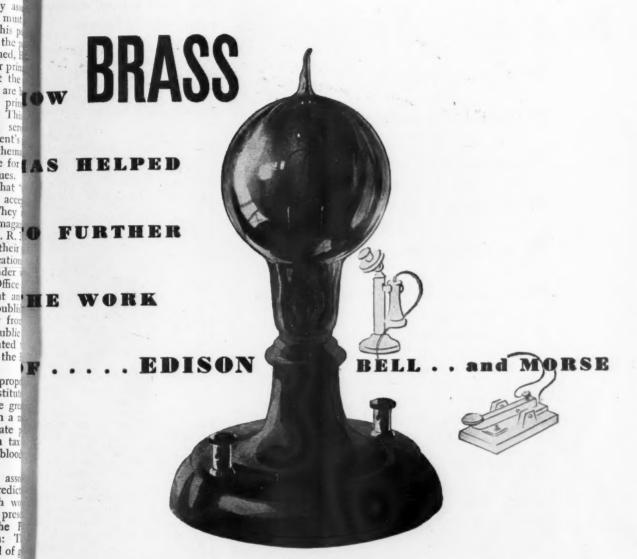
• Countercharge—Smarting under a aired charges that the Post Officeries the 15 magazine giants at am nual loss of \$30 million, the publis introduced contrary testimony from K. Lasser & Co., certified public countants. Lasser had calculated they were actually handled by the Office at a profit.

The publishers reiterated that

N.P.A. charged that the proper rates, like present ones, constitute surcharge on advertising. (The greather proportion of advertising in a mazine, the higher the zone rate pon it.) It complained that "a tax advertising is a tax on the life blood commerce and industry."

ention's trump Card—But the assotion's trump card was the predict that the proposed rates, which we be over 100% higher than at press would inevitably work to the Poffice's disadvantage. Reason: To would further the growing trend of geral magazines to use other forms distribution—notably news stand swhich can be serviced by rail or truther results would be a substantial cline in second-class mail revenues only a small reduction in operating penses.

• Modernization Needed—Topping N.P.A.'s presentation was a report pared by Worden and Risberg, consing engineers in business management illustrated a point which business men are fond of making: Modernition of Post Office methods woreduce operating expenses enough obviate the need of increasing rather the report stated that the total defineured by the Post Office Dept. In 1910 to 1945 could have been off by a 4.8% reduction in costs.



MATERIAL AID to America's great inventive minds has always been this golden-yellow alloy of infinite usability. Now, everywhere in the electrical industries ... in telephony and in telegraphy ... the bright gleam of Brass marks a million bright spots in faithful and enduring performance.

Sockets of Brass help light the world's lamps. And, to help deliver that light, Brass does scores of jobs in generators, motors, switches, controls, recording instruments, and allied apparatus. For these jobs, no lastingly and economically satisfactory substitute for Brass has ever been found, from the point of view either of user or fabricator. In use, Brass has exceptional qualities of wear-resistance. And, in fabrication, Brass has unmatched qualities of formability which minimize time, effort, and unit-cost.

To the electrical industries, the modern mills at Bristol have long been a leading source of supply for Brass sheet, rod, and wire. For Bristol Brass can always be banked on for exact physical and dimensional conformity with specifications, carload after carload. And, no matter whether your product is lighting equipment or marine hardware, you can likewise bank on it that your Brass business will be handled, here, in true "Bristol fashion" . . . everything shipshape and punctual to the dot. Let's talk it over, soon.

BRISTOL BRASS CORPORATION . Makers of Brass since 1850, Bristol, Connecticut

ROCHESTER OFFICE: 616 TEMPLE BUILDING, ROCHESTER. N. Y.

URGH OFFICE: 438 OLIVER BUILDING, PITTSBURGH 22, PA.

reven that publi efit t isher

orms nd s

r tru

itial

ues

ting

oing

ort

consi

geme

usin

derni

WO

ugh

rat

defi t. frd off

5, 1

# has the Answers

**Payroll Preparations** 

**Expense Distributions** 

Compute Percentages

Prepare Your Invoices

Mark-ups and Discounts

Produce accurate answers to any and all calculations ...individual to your own accounting.



Call your local Friden Representative, arrange for a demonstration and learn how easy it is to get answers to all types of Figure Work Problems.

Friden Mechanical and Instructional Service is available in approximately 250
Company Controlled Sales Agencies throughout the United States and Canada.

#### PRIDEN CALCULATING MACHINE CO., INC.

HOME OFFICE AND PLANT • SAN LEANDRO, CALIF., U. S. A. • SALES AND SERVICE THROUGHOUT THE WORLD.

#### Crane Deal Off

U.S. antitrusters object acquisition of AllianceWare, But Crane Co. will distribute steel sanitary fixtures.

Crane Co.'s announced plans to chase AllianceWare, Inc. (BW-1'47,p18), have been revised because objections from the antimonopolysion of the Dept. of Justice. Progrounds for the objection have not disclosed, but presumably the attrusters prefer that Crane not increase its ownership of plumbing goods duction capacity by buying up in pendents.

• Change of Pitch—Both parties to proposed deal accordingly backed a from it. Instead, they have made arrangement under which Crane will act as a nonexclusive distributor AllianceWare's line of enameled, d drawn steel sanitary fixtures.

AllianceWare is doubling its plan pacity, to produce daily 1,000 bath —or the equivalent in sinks, lavato and other products. Also it is firming its present capacity by installing a st by fuel auxiliary; the company's enadepartments were shut down for days last month for lack of natural

Crane Co. is expected to handle least 50% of AllianceWare's our under the new arrangement. Goods other would-be distributors may be tailed by AllianceWare's current government contract for 100,000 deep-drasteel caskets for returning bodies American war dead to the U.S.

• German Development — Ename sanitary ware made of pressed steel stead of cast iron was developed in a many around 1900. These bathtubs was a natural for export, because of the light shipping weight; by 1927 one-the German output went to La America. One firm alone shipped tubs a month to Mexico.

The German processes were sm unit jobs derived from enameled kit enware. The outfit which eventually came AllianceWare, Inc., was found to make enamel steel sanitary produ by major improvements on these C man methods. Its plant layout, wh is the nucleus of the present company was made in 1927.

This plant got into production years ahead of any other company. I industry gives Montgomery Ward & credit for being the pioneer among m merchandisers of the new product.

• Merchandise Scramble—As predict when word of the original Crane-A anceWare merger plans became pubthere has been a great deal of scramble in the industry to get merchand

BERT

-high speed Production

Well in Hand!



GAIRanteed folding cartons are endowed with a recognized two-fold LEADERSHIP...

LEADERSHIP for outstanding performance on high speed production lines.

in highly competitive retail markets.

Precision and design problems entrusted to GAIR are always "WELL IN HAND".

Write for informative booklet on PRECISION PACKAGING



ERT GAIR COMPANY, INC., NEW YORK, TORONTO • PAPERBOARD, FOLDING CARTONS, SHIPPING CONTAINERS

Off bjed are,

bute

ns to BVVecau poly Prot

the incode incode up in the code in the co

plant bath water ming a sta

for ural andle out oods be governed by be

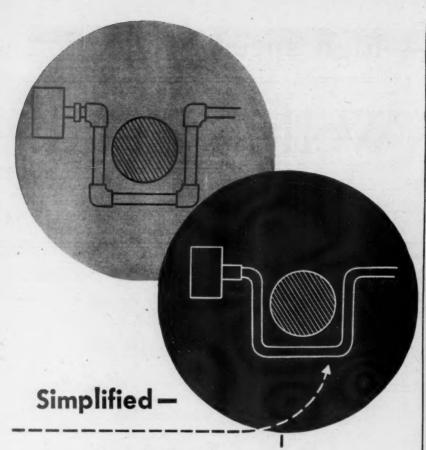
name steel in 0 ibs w of the one-l

sm l kit ally ound rodu se G wh

on to & () ag mater.

5, I

pub



#### for Free Flow

Easy to bend, tubing goes wherever you want it-around corners-into tight places . with fewer fittings-fewer chances for leakage. Assembly and maintenance aré quicker-easier.

Tubing systems, engineered with PARKER Fittings and Valves, insure Free Flow, with fewer obstructions and less turbulence. They take less space—and weigh

If you have fluids to move-either liquids or gases . . . under high or low pressure—you can do it better using tubing with PARKER Fittings and Valves. Available from conveniently located warehouses and distributors.

Let's talk it over.

THE PARKER APPLIANCE COMPANY 17325 Euclid Avenue . Cleveland 12, Ohio

Offices: New York, Chicago, Los Angeles, Dallas, Atlanta **Distributors in Principal Cities** 

TUBE FITTINGS . VALVES



THIS

#### PARKER TUBE FITTING MAKES FREE-FLOW SYSTEMS POSSIBLE

With this Tube Fitting—as with all PARKER Fittings and Valves—pressure-tight and leakproof connections are assured.

Threading is all on the fitting you can use heavy or light bendable tubing-steel, stainless, light metal or

All PARKER Fittings are precision-made—easy to install or remove, and every PARKER Fitting is a coupling.

Write for Bulletin A-48, reviewing PARKER Products.

sources. As yet, nobody knows who or whether-American Radiator Kohler will obtain enameled steel tary ware capacity to match Crane's distribution hook-up.

#### BANKER TURNS ENVOY

Next U. S. Ambassador to Pol will be Stanton Griffis, 59-year-old York investment banker. He such Arthur Bliss Lane, whose resignation came effective this week.

Griffis is perhaps best known to nancial circles as a partner in Hemp Noyes & Co., a position he has ]



Stanton Griffis

since 1914. He has also been sen as chairman of the executive comm tee of Paramount Pictures, Inc. and Lee Rubber & Tire Corp., as chaim of the board of Madison Square Carr Corp. and of Brentano's, Inc., and a director of Shuron Optical Co.

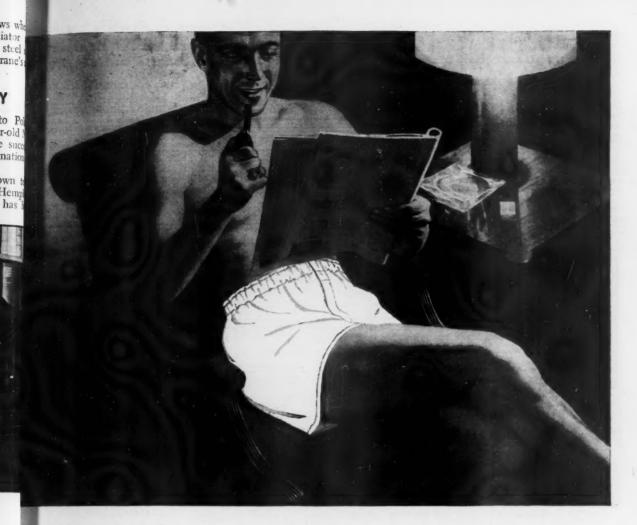
#### DREAM CHILDREN

ite of Overseas veterans came home free bu the war to find many obstacles whab realization of their dreams-all but that is. That dream was to have a ve and and kids. Judging by the 1946 n Tha riage and birthrate figures, highest hor record, it came true with interest.

In mid-July, 1945, the marri duc rate started to climb, kept going hig to a peak last December. The rate under curved downward slightly in early 19

Birthrates rose correspondingly, w an eleven-month time lag. The reeng took a sudden jump in July, 1946, kroduc going up to a peak in September. I climb resulted in an estimated total 3,260,000 births in 1946-a new reco

The birth curve has leveled off n the peak figure, and is expected to sthere for the rest of 1947.



### A Short Shorts Story (Reading time: 33 seconds)

and takes a lot to make a man happy about his hard-working orts! He demands comfort in action or repose. He nice often likes a little color. He insists on strength to e from buttons or snaps from popping, seams from parting. out ashability ... a whole lot of it ... with minimum shrinke a we and fading and a reasonable life-expectancy.

com and hair Gari

6 n

hig

ate !

otal reco

ff n to

That's a big order. It means problems ... for the makers est. shorts. Research problems that must be solved, to narriaduce fabrics that successfully withstand repeated undering and ironing, prolonged wear and tear.

Sharing these problems with the makers of textiles engineers of American Viscose-the nation's largest 6, knowlucer of rayon. For since rayon is man-made, its fibers and yarns can be engineered to provide just the right qualities for specific jobs.

That's why rayon shorts make one of rayon's many success stories. And it is why rayon dresses, lingerie, suits, lampshades, curtains, cords for your car's tires, to name a few, are better and better each year.

ANOTHER

AMERICAN VISCOSE CORPORATION

350 Fifth Avenue, New York 1, N. Y.



WHATEVER YOUR PRODUCT, handling is an added cost that reduces the margin of profit . . . and the cost of handling is determined by the method of handling.

Modern handling methods mean lower handling costs—and elimination of production delays, reduced accident rates and less product damage. Modern handling methods call for Towmotor Fork Lift Trucks and Accessories—designed for fast, systematic movement of materials and products in receiving, processing, storage and distribution.

Like to fatten up those lean profit margins? You can... a Pocket Catalog will show you how Towmotor can help. Towmotor Corporation, Division 2, 1226 East 152nd St., Cleveland 10, Ohio.

SEND for Special Bulletins Describing the TOWMOTOR

REVOLVING CARRIAGE • SIDE SHIFTER • UNLOADER • UPENDER • SCOOP
CRANE ARM • RAM • EXTENSION FORKS • EXTENSION BACKREST
• OVERHEAD GUARD •



FORK LIFT TRUCKS

RECEIVING . PROCESSING . STORAGE . DISTRIBUTION

#### Restaurant Blues

Volume is still high. It rising costs squeeze profits. It proved management, equipment trained employees sought.

America's eating-out habits are abeing bolstered by the housing and vant shortages, and by continued hemployment of women. So far the taurant business, more than tripled ing the war, has shrunk only a helow its wartime peak. Last year taurants served close to 60 million m a day, compared with 65 million during the war years. Only the lur restaurants and top-priced hotel din rooms up to now have felt the sluthat has hit the entertainment sp (BW-Mar.15'47,p31).

But members of the National Rest rant Assn., meeting in Chicago week, were far from happy over the situation and prospects. Their commendades how to meet spiraling we and food costs and still hold the sume built up during the war.

• Customers Are Competitors—Expensed restaurant operators take it granted that their prices, like those commercial laundries, have a naticeiling imposed by the fact that the ultimate competitors are their own to tomers. Too-high prices automatic drive customers back to their own kit ens. But restaurant labor costs in take from 35% to 40% of total coinstead of 25% as they used to. For costs show little tendency to retiferom current high levels.

Since prices much higher than toda can only bring lower volume, practive restaurant men see their sole hope more efficient management, streamlin and standardized operations, new lab and time-saving equipment, and bet trained employees.

• Shortages—Wartime food shorta have largely disappeared. But gettenough fats and oils, sugar, and go coffee still plagues restaurant owner Replacements for war-worn equipmeremain hard to get. China, table sill linens, and small kitchen equipmerements take three to six months for delive heavy equipment like dishwashers, imixers, stoves, and refrigerators up 18 months.

Many restaurant owners would I to wait for new designs now on the drawing boards or being laborate tested. But they are so desperate for nequipment that they take anything the can get

Worst of all shortages is labor, despincreased wage rates. The industry urging high school vocational-trainic courses and training programs finance



### answers the question of long week-ends and holiday closings

What to do about the Watchman during extended plant shutdowns is no longer a management worry.

No longer is it necessary for an executive or supervisory employee to break into his own holiday and return to the plant for the purpose of changing the dial in the Watchman's clock.

The revolutionary new DETEX GUARDSMAN works on a continuous roll tape with a capacity of two full weeks' registration. It is the first tape clock to provide an embossed record made directly from type on the recording key. It employs no ribbons, carbons or inking devices.

#### SIMPLE TO OPERATE

Each of the 24 hours of every day has its own ruled

space on the tape. The roll tape is synchronized with the clock mechanism...so that if your Watchman skips a round or neglects to register a single station the omission stands out like a locomotive headlight.

You push the tape cutter—click!—and you have in your hand the strip of tape that reveals instantly when—and where your Watchman was throughout his tour of duty. The DETECTOR MARKS show when the clock was opened and closed. There is no possibility of altering, tampering or falsifying.

If you believe that it is dangerous to risk the human equation during the most vulnerable part of the week—Friday night to Monday morning—write today for descriptive data on the new DETEX GUARDSMAN. If you desire, a demonstration in your plant will be arranged at your convenience.

Approved by Underwriters Laboratories, Inc., Factory Menudi Leboratory and insurunce compunies everywhere.

me

and the ed had a line ear in mind din slux transfer specific to specific specific to specific to specific to specific to specific to specific specific to specific

Rest go

omn g w

it nose nati

t the

Foretr

raction ope

lab

bett

orta

gett

go

wn

pm

silv

pm

live

rs,

d

n torate

try

aini

#### DETEX

PATROL ALERT ECO NEWMAN

#### WATCHCLOCK CORPORATION

76 VARICK STREET, NEW YORK 13 N.Y. Sales and Service in Principal Cities

#### QUESTION:

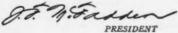
What will American Credit Insurance do for my business?

ANSWER:

· American Credit Insurance quarantees payment of your accounts receivable. V Pays you when your customers V Eliminates collection problems on delinquent accounts through unique loss prevention service. V Improves your credit, helps you get better banking accommodations. V Reduces friction between sales and credit departments by establishing sound credit policy.

#### Send for FREE book, "Credit Loss Control"

"Credit Loss Control"... a timely book for executives . . may mean the difference between profit and loss for your business . . . in the months and years of uncertainty that lie ahead. For a free copy, address American Credit Indemnity Company of New York, Dept. 42, Baltimore 2, Maryland.





#### American **Credit Insurance**

CREDIT

pays you when your customers can't

OFFICES IN PRINCIPAL CITIES OF UNITED STATES AND CANADA

with federal aid to help them and train a higher type of emp Courses in restaurant manageme being introduced in many univer • Food Innovations-New metho food handling and preparation, to prove quality and lower costs, and ting close attention. In the near f they hope for such improvement (1) fish processed at sea and pack specially frozen ice which congermicidal chemicals to prevent be growth; (2) fresh fruits and pro picked riper and shipped and p better; (3) new poultry cuts, su turkey steaks from broad-breaste

Though interest in frozen products and frozen foods is high, restaurant men see their widespre several years away, when more reation equipment is available.

• Sanitation Drive-High on the ciation's program this year is an sive drive for greater restaurant s tion. Promise of improved dishwa with better control of water tem tures and better detergents, should better dishwashing standards. And restaurant owners are interested in sanitation possibilities of a cockn repellent floor covering material. O Hubbelite, it is a cement contain copper compound, which can be s over present flooring. It is manufact by H. H. Robertson Co. of Pittsb

#### RECORD RECORDER



In

no

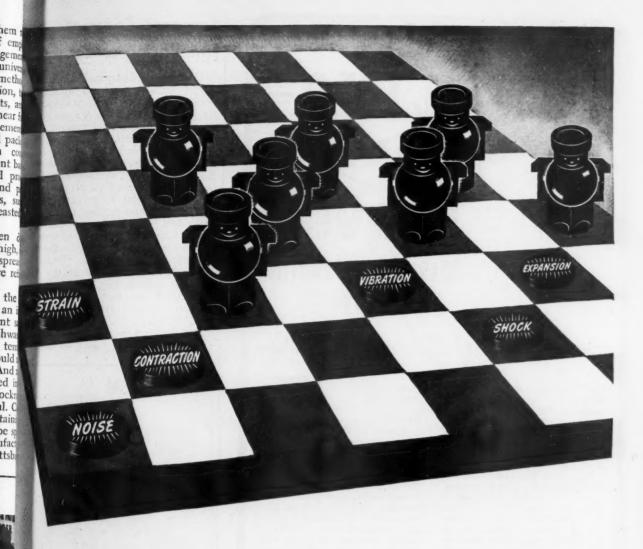
fo

sp B

FRE

In C

Monsanto Chemical Co.'s Clin ton Laboratories at Oak Ridge Tenn., recently handed out pocket radiation meter for the millionth time. To keep tab or the amount of radioactivity to which workers are exposed, each employee in the radiation are gets one of the little recorder every time he checks in. If after his shift, his meter read too high, the case is investigated the worker may be moved to another area.



### Vibration hasn't a chance with BARCO

In this game of checkers, the forces that attack fluidconveying lines can't win. For Barco Flexible Joints not only absorb destructive vibration, but compensate for expansion and contraction, provide flexible responsive movement against shock and strain. In the Barco line you'll find the right joint for your special installation. Write for facts. Barco Manufacturing Co., Not Inc., 1830 Winnemac Avenue, Chicago 40, Illinois.



### BARCO

FREE ENTERPRISE -THE CORNERSTONE OF AMERICAN PROSPERITY

FLEXIBLE JOINTS Not just a suivel joint ...but a combination of



a sicivel and ball joins with rotary motion and responsive movement through every angle.

In Canada: The Holden Co., Ltd., Montreal, Canada.

"MOVE IN

DIRECTION"



Handling of materials accounts for 22% of the payroll in industry; consumes 60% to 70% of production time! Today, industry's leaders everywhere are reducing that time and cost substantially with the aid of SERVICE material handling equipment and methods.

Backed by 30 years of experience, SERVICE makes an applied science of material handling to solve inter-plant handling problems. Over these years, SERVICE has consistently pioneered in creating new products and methods to meet ever-changing needs

in industrial distribution and production.

Today, a complete line of SERVICE equipment is available—ranging from single casters to lifters with capacities of tons. And, demands for these better built products are the greatest in SERVICE history. To meet them, SERVICE is steadily expanding its engineering and manufacturing facilities. To further reduce handling costs...to make indoor miles ever easier and safer...SERVICE still is constantly creating new improved products and methods.



### Kennecott Resumes Firm Pricing of Copper

The copper industry took a long stoward normal peacetime operate last week. Kennecott Copper Corp., nounced that it would once again quifirm prices in its sales contracts American consumers,

The move was hailed by the company's customers. To them, it may that a big element of uncertainty have been removed from their planning.

• Big Worry—But copper consume biggest worry—the shortage of supple (BW—Mar.1'47,p58)—has not yet be eased. Copper needs of this count for the rest of 1947 have been estimated at 130,000 tons a month. Domes output is expected to be at the most about 80,000 tons a month, addition, it has been reported the Chilean producers have agreed to aside 20,000 to 25,000 tons of the monthly output for the U. S.

That still leaves a hole of arou

#### **BIGGEST INCH**



HAN

t to m

anie

trade

nufact

w bus

rod

it ye

nore

an and

ume t

ual co

E IN

Natural gas will flow from Texas to southern California in a record-size pipeline being laid by H. C. Price Construction Co. for El Paso Natural Gas. Built by Consolidated Steel Corp., for 214 of its 1,280 miles the pipe is 30 in. wide (above), six inches bigger than the famous Big Inch. It will help Southern California Gas Co. and Southern Counties Gas Co. keep pace with growing demand in the Los Angeles area.

BUSINESS WEEK . Apr. 5, 19



### Progress is Faster WITH the Wind

HANGE is a constant challenge to men and industry. Successful manies as well as successful men in their sails to benefit from shiftg trade winds.

Per ong eratio orp. in qu acts ie co me ntv ] ing. sume Suppl et be coun timat omes ne r th. 1 1 to f th arou

> the field of business, contract anufacturing was the outstanding by business policy proven during a production necessities of critical cent years. It resulted in more parts a more purposes being delivered hen and where needed than ever ought possible. Because of the dume thus attained, for many indidual companies it resulted in dollar

profits and rates of return on investment never before realized. Farsighted executives faced with decisions of policy today will not fail to recognize and seek advantage of these basic principles.

The HUPP PLAN for Industrial Stability brings to industry outstanding facilities for contract manufacturing. It is a practical working plan for long range stabilizing of industrial production through adaption to changing markets or individual company conditions. It can be adapted to the needs of your company, too.

Call HUPP—an experienced contract manufacturer, in Detroit or Cleveland, or Amgears, Inc., a wholly owned subsidiary, in Chicago.





There's never a dull moment on brush performance with the Finnell Dry Scrubber. A flip of the switch reverses the motion of the brushes and re-sharpens them automatically! . . . eliminating the need for frequent changing of brushes by hand in order to maintain a good cutting edge. Automatic reversal of the brushes also helps keep them functioning efficiently by ejecting sticky substances that may otherwise tend to clog and slow up the cleaning process.

With this heavy duty Finnell, grease-caked floors can be cleaned in one-tenth the time required when hand-spudding, and far more thoroughly. Floating brush rings enable the two powerful scarifying brushes to get into indentations and grooves that rigid coupling brushes pass over and miss. And the low construction makes it easy to clean around and beneath equipment. The machine is adaptable to wet scrubbing, steel-wooling, waxing, and polishing. Ruggedly constructed, assuring long, trouble-free service. Has heavy duty G. E. Motor, oversize Timken Roller Bearings, special bronze worm gears—a quality product throughout, developed and produced by Finnell, originators of mechanical floor-maintenance equipment.

Clean floors aid safety underfoot . . . bolster worker morale . . . reduce fire hazards . . . speed trucking, and otherwise aid production. It pays to keep floors clean-especially with a labor-saving Finnell Dry Scrubber.

For free floor survey, consultation, or literature, phone or write nearest Finnell branch or Finnell System, Inc., 3804 East Street, Elkhart, Indiana. Canadian Office: Ottawa, Ontario.

nnell system, inc

Pioneers and Specialists in FLOOR - MAINTENANCE EQUIPMENT AND SUPPLIES

BRANCHES IN ALL PRINCIPAL CITIES

25,000 tons a month that will ha be filled by competitive bidding of world market. Right now the price is about 1¢ a lb. higher th domestic quotation. But that's sive of the 4¢-a-lb. import duty. that effectively prices this country of the world market.

• Bill Pending-A bill to suspend copper tariff for two years has a passed the House, is now pendior five the Senate (BW-Mar.22'47,p6). copper fabricators are loudly vocate, ru

its support.

For example, the Okonite Co., a An un of electric wire and cable, took a plague tising space in a number of newsphobile st last week pointing out the possible ar done ous effects of the copper shortage is new asking readers to write to their tors in favor of the tariff suspenigh, the • Passage Expected-Informed whe fact ington observers believe the bill ar, cus most certain to pass, but senators are eve western mining states are fightin buld dr. limit the tariff suspension to one ithout only. Fabricators counter that su law would be of very little use. say that it takes three to four me after a contract is signed abroad b the metal starts hitting American d So by the time they could get im the last flowing in a steady stream, the ormal

ould dr

naintena

Econo

ustomer

conomi

pore tha

ommiss he first

Howe

obile l

al fact

RIT

Ma

bui

ma

Iro

#### TRADEMARK VIGILANTES t a far

would be back on again.

Back in the early 30's, seven hair manufacturers got together to write NRA code. They had a common thief a lem-counterfeit hair tonics-and wning a pretty rules. Out of that meeting the Assn. for the Protection of Ta mark Rights, Inc., a vigilante organ tion which tackled a racket which its roots in the bootlegging business

In those days many barber sup houses were a source of bootleg alco The diversion was covered up by tiously large sales of "hair tonic made merely from color and water, perfumed in imitation of well-kno brands.

The organization hired investigat started an educational campaign, in ated legal actions, and gave certificate to shops carrying genuine products.

Gradually the counterfeit evil abat By 1946 a survey showed that 97% the shops covered had only genu

But the seven manufacturers, rat than call it a day, have now offered services of their association to all co panies who have trademark protect problems. The association will be verted into a private business.

The original members were Bris Myers, F. W. Fitch, Herpicide, aud, R. B. Semler, Wildroot, and Winarick.

## automotive

## Car Buying Pattern May Change

Consumers' wartime discovery that autos run economically endior live years could affect new car sales. Will annual scrappage vo.ate, running far below prewar average, rise again?

Co., n An uneasy question has arisen lately ook a plague the thoughts of U. S. auto-ewsploble sales managers: What has the ssible ar done to change the American pubrtage c's new car buying habits?

With a seller's market still riding neir ispenigh, the answer is not yet clear. But Ine fact is already obvious: During the bill ar, customers who had bought new tors are every year discovered that they the same one for five years one ithout undue pain in repair and

t su Economy-If they start figuring, these moustomers will also learn that it is more d b conomical to keep their new cars for an diore than a year. Depreciation during ne first year, according to figures generthe ormal wear and tear, but the dealer's ommission as well. From the end of he first year on, depreciation continues S t a far lower rate.

However, this economic fact of autowrite life may be offset by psychologal factors in the buyer's reasoning. on thief among these is the prestige of and wning a new car. Then there is a feeling

g

by

-kn

cts

17% eni

e c

Bris

of freedom from trips to the garage, and from lowered performance efficiency.

• No Problem Yet-In any case, the problem, of course, does not exist today -and won't for at least a year. Used car values are still high enough above normal so that almost anyone who can lay hands on a new car trades in his old one without a second thought. But sooner or later the issue will come into sharp focus.

Any change in favor of less frequent new car buying would have widespread repercussions. It would throw off production schedules, used car turnover, prices and profits, replacement parts production-even advertising and promo-

• Longer Life-The replacement of scrapped cars is fundamental in new car production schedules. But during the war the average life of cars on the road rose from about five and a half to nine years. The average life of cars scrapped probably moved from about nine to twelve years.

If the use of cars continues to be stretched out anywhere near that propor-



## Dictograph INTERCOMMUNICATION

the Individually-Engineered System



Skilled help comes high -and it's mighty scarce, too. So follow America's most successful firms-use DICTOGRAPH intercommunication, the system individually-engineered to increase the efficiency of your present staff!

With DICTOGRAPH, your staff members have instant contact with each other, your executives keep in confidential touch with the entire organization. Orders are issued, information secured without anyone leaving a desk. And their voices are carried through privacy handsets-right to the one person for whom instructions are intended-without disturbing anyone else.

Also, when a top man calls a staff member, his call gets the right-of-way . . . insuring immediate action! Yes, DICTO-GRAPH is perfection in intercom, guaranteed for 10 years, pointed to every forward-looking firm, large or small. Send the coupon today.

Sales and Service in

-	DICTOGRAPH PRODUCTS, INC. 580 Fifth Ave., NewYork 19, N.Y.
	Gentlemen: Please send me free copy of "Meet the Composite President of 10,000 Major Companies."
	☐ I'd like a demonstration.
	Name
	Company

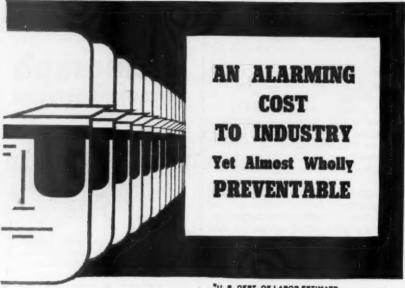
City ......State.....



#### HITCHING 550 HORSES TO THE WAGON

A 12-cylinder, 550-hp. engine and a 40-ton capacity lead Euclid Road Machinery Co. of Cleveland to consider its new truck the largest ever built. Still in the experimental stage, the huge supercharged diesel machine is being tested at the M. A. Hanna Co. property in the Mesabi Iron Range of Minnesota. Fully loaded, the giant weighs 80 tons.

## **Industrial Workers** ill Lose the Sight of One or **Both Eyes TODAY**



"U. S. DEPT. OF LABOR ESTIMATE

Of the 17 serious eye accidents in industry that will happen in the next 24 hours, 16 could be prevented now by use of safety goggles. Eye accidents are estimated to cost industry \$5 per shop worker per year-an alarmingly high figure. Yet, according to the Society for the Prevention of Blindness. 98% of eye accidents can be prevented by the use of safety goggles-at an average cost of only \$1.50 a pair. Are you overlooking this opportunity to effect a substantial cost reduction? If so, we suggest you get in touch with your nearest AO Safety Representative for advice and help in establishing an adequate eye-protection program in your plant.



tion, it will slice importantly into annual prewar scrappage figure of lion vehicles.

• Scrappage Drop-The war year cording to newly released tabulation R. L. Polk & Co., saw scrappage significantly, the result of sheer nee transportation. From 1942 the 1946, the average number of junked each year fell to 1,236,784

The low rate of war period scrap of course, grew out of the fact the new replacement cars were available

And because owners were reta their old cars, the number of used available to the lower-grade buying kets was sharply cut down. If that tinues in the postwar era, the tot available used cars will-at least for eral years-continue small.

• Sub-Low-Price Cars?-Conceivab situation of that sort would open door wider to sub-low-price cars sort the auto industry has talked of has never moved to build. In any used car prices would strengthen the long term, due to the shorter su

One group which would benefit such a change in buying habits be the parts makers. As the war de strated, any extension of the ten average car use increases parts req ments.

• Two Weapons-The auto industry two reasonably effective weapon combat any change in buying ha

(1) Advertising and promotion-troit's sales-minded car executives always leaned heavily on exploitation create buying desires. If the public gins to blow cold on new car but it is a foregone conclusion that De will really turn on the promotional

(2) Radically new models-any tight a velopments making present cars lete would stimulate buying. But ombus provements of that kind cannot be must will vearly-and are therefore impermaneplace

#### il Bur TO END BUMPER-LOCKING

An insignificant bump of two autoud hea biles can sometimes turn into a m odd er annovance-when the bumpers rd like Now the auto industry holds out hope that this annoyance may some be only a memory.

Bumper standards, set up by the ciety of Automotive Engineers, been approved by the Automo Manufacturers Assn. They specify t on a sudden stop with a full load, top line of the front bumper must dive below 184 in. from the grou nor the bottom line of the rear bum rise above that distance.

Differences in the hardness of spri and shock absorbers among the ous makes have long hindered solut to this problem. But the S.A.E. fi that wider bumpers and bigger bum guards will banish that difficulty.



any light at the beart of your heat and power system - the But ombustion equipment - there can be operating waste be mat will make your cost sheets look sick.

TILLI eplacement of obsolete installations with modern Todd Burners can cut your fuel consumption as much as NG or more—and, at the same time, step up your power autood heat capacity.

a modd engineers can show you case record after case recnt rd like this, as well as many "plant histories" where the

ome

rs. omo

ify ! oad.

nust

grou

um spri he solut bum y. 0 5,

initial cost of modernizing with Todd Burners was wiped out in three years by savings in fuel and maintenance charges.

Many standard and modified types of Todd Burners are available and each job is individually engineered to provide the right application for the heat and power needs of any industrial or commercial installation. Consult Todd engineers on your combustion problems!

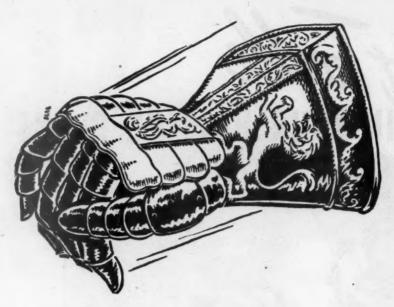
## COMBUSTION EQUIPMENT DIVISION

TODD SHIPYARDS CORPORATION

601 West 26th Street, New York 1, N. Y.

NEW YORK, BROOKLYN, ROCHESTER, HOBOKEN, NEWARK, PHILADELPHIA, CHICAGO, CHARLESTON, S. C., BOSTON, SPRINGFIELD, MASS., BALTIMORE, WASHINGTON, DETROIT, GRAND RAPIDS, TAMPA, GALVESTON, MOBILE, NEW ORLEANS, LOS ANGELES, SAN FRANCISCO, SEATTLE, MONTREAL, TORONTO, BARRANQUILLA, BUENOS AIRES, LONDON





# Guardian Throws Down the Gauntlet

As in wartime, Guardian continues to throw down the gauntlet to shortages, difficulties and restrictions that still hamper in the postwar period the production of fine bond, ledger and index paper. Ask for a copy of our new Guardian Bond and Ledger Sample Book, now being distributed. See for yourself how we have held up the quality of 50 percent cotton content, balanced Guardian. When better materials are available, Guardian will be even better than it is now. But the Guardian you buy today is a mighty fine sheet, bond, ledger or index.

## GUARDIAN BOND

Manufactured by Crocker-McElwain Co., Holyoke, Mass.

The Guardian Family of balanced papers, bond, opaque, ledger and index, is fabricated for modern production needs, letterpress and offset, and for typewriters and office printing machines.

limits on diving and rising are set

Car manufacturers have agreed meet these standards as soon as find it possible in design changes. S of the 1948 models will lead the

Fue

cio

simple-

the low

hout COI mo

com

of

vro

hat

strat

ials

emb

nt e Mos

a con

ord

Davis

d 1,

% hi

USINES

#### FEWER OIL CHANGES

Frequent oil changes have als been a necessity for car owners. Aprice I the oftener they changed, the bei business for the oil companies.

A new recommendation to its tomers by the Chrysler division Motor Chrysler Corp., however, is creating rearner joy among the refiners. Says Chry Change your oil only every 5,000 mi (Formerly Chrysler recommended the line changes at about 1,750 miles in column climates, about 2,750 in mode son for zones.)

Credited with making the life Credited with making the life Chevrollubricants last longer is a new type specification oil filter introduced with the current it Chryslers. But there is a catch: Repletandard ment of filter cartridges is spective. For every 5,000 miles, when the oi \$20 from the control of the control o changed. Thus if the motorist following directions, he will spend at least of his oil savings on new cartridges let beg

#### GREYHOUND RENEWS FLEEthin year

With the delivery of the first "Si sides" bus from General Motors' Clin big a Truck & Coach Division, Greyho Corp. began to replace its rolling st pl6). The order totals \$37,500,000 for 1



Greyhound trio: President Or u Caesar, driver James Stone, Silversidirector,

new buses-enough to renew a thir other in Greyhound's nationwide fleet.

The new coaches feature recliproduct type seats, heat-resistant glass, doi glazed windows for better insulationk. R Horsepower of the diesel-engine la liners has been stepped up from 6. to 240, for more zip on the hills. 20% W

42

## as a Fuel to the Fire

Ford strikes back in its feud with Chevrolet, announces all new business coupe at "lowest in the industry."

lits conscious Detroit this week when Ford Motor Co., announcing its 1947 models, ting returned the three-passenger business clary coppe to production. It was one of the company of the coppe to production. It was one of the coppe to product on th

ome competed production. It was one of the line last October.
It competed the line last October.
It competed coupe"—A main readed son for the reinstatement was quite simple—to crack back at arch-rival Chevrolet. Now Ford can say, as it type specifically did in the announcement, current at it has the lowest-priced car in the scepe standard-size field. Just to make it positive. Ford cut the price on the coupe of \$20 from the 1946 level. Its factory list poice is \$6 less than Chevrolet's coupe.

Postwar price feuding with Chevroges let began flashily when Ford cut fac-

Postwar price feuding with Chevroges let began flashily when Ford cut factory delivered prices \$15 to \$50 early letter year (BW-Jan.18'47,p32). Chevrolet, prewar No. 1 auto seller, came right back a few days later to announce in big advertising type that it still had the lowest-priced cars (BW-Jan.25'47, 51 p16). The bases for the Chevrolet letter without counterpart in the Ford series, comparative prices on more expensed

lost Registrations—Fuel was added to competitive flames a few weeks ago in Chevrolet announced that, in e of the General Motors strike durthe first quarter of 1946, more new violets had been registered during year than any other make.

that announcement, and what preed it, apparently caught Ford napg. Ford had sized up the rate of strations for earlier months, and its cials figured they had plenty of gin to win the sales race when the rember totals were compiled.

But they had underrated their opients. During December, Chevrolet lers were quietly registering every v car they could. The last-month int enabled them to finish first.

Most Sales"—This week Ford cooked a comeback. J. R. Davis, Ford sales iddrector, wrote that "Ford dealers sold more vehicles during 1946 than any other in the price field, based upon retail orders (sales)—a true criterion of product popularity."

Davis went on to paint a rosy outlook. Retail orders in dealer hands exceed 1,500,000 today, he said, a total 6 % higher than those on the books a year ago. He figured no more than 20% were duplications. VIBRATION CONTROL
ia part of design

JUST as you have specialized in your type of product, so have we specialized in ours. With LORD Vibration Control Products we are cooperating with manufacturers to perfect smooth, quiet operation of their machines.

The best place to apply LORD Vibration Control to your product is on the drawing board; and the best time is when your designs are in the preliminary stage. During this stage, it is easy to select the points which are most advantageous for mounting applications. Space allotments, center-line locations and constructional features can be selected so that the inexpensive standard LORD Mountings may be installed easily when assembly begins.

It is also during this stage that LORD Field Engineers can be of greatest service to you. By using their knowledge and experience in this specialized field, you literally place a trained Vibration Engineer upon your staff without cost. Just drop us a line, or notify our nearest Field Office, and a representative will call upon you. There is no obligation.



## LORD MANUFACTURING COMPANY ERIE, PENNSYLVANIA MRD OFFICES

Detroit, Mich. Chicago, III. Burbank, Cel.
Cenedian Representatives Railway & Power Engineering Corp., Ltd., Toronto, Canada



You can't bring millions of prospects to your headquarters for intensive sales presentations. But you can take your full story to your prospects...with undiminished effectiveness.

For instance, Westinghouse Electric Corporation takes a model kitchen to millions of women . . . all over the U.S.A. . . . by means of a sound movie. This film teaches, entertains, and sells with all the power of a personal demonstration.

The Westinghouse kitchen film is one of dozens used by this firm in a continuous program of sales training, sales promotion, and direct selling.

## Scores of New Filmosounds Extend the Westinghouse Program

Like hundreds of experienced users of sound films, Westinghouse has long used Filmosound 16mm sound-on-film projectors to obtain the theater-quality sound and picture reproduction without which no film program is fully successful.

What Westinghouse thinks of

Filmosounds is indicated by the recent purchase of a large additional quantity, to extend further the company's film service for district offices and distributors.

### Why Bell & Howell Filmosounds Excel

Long preferred by American business, Filmosounds are precision-built with exacting care for years of dependable, trouble-free service. Even in large halls, the 16mm Filmosound floods the screen with bright, clear pictures. At all volume levels, sound is natural and undistorted.

Filmosound protects valuable films. It runs cool and quietly. It is easy to operate. Filmosound makes movies do their best for you.

#### Write for This FREE BOOKLET

Ask for "Movies Go to Work." Tells all the ways Filmosound movies can work for you in selling, training, personnel relations. Write Bell & Howell Company, 7116 McCormick Road, Chicago 45. Branches in New York, Hollywood, Washington, D. C., London.

1907-1947 . . . Forty Years of Leadership

Precision-Made by

## Bell & Howell

Since 1907 the Largest Manufacturer of Professional Motion Picture Equipment for Hollywood and the World



#### READERS REPORT

#### Income and Goods

Sirs:

The recent table and Trend deal with changes in real income [BW-F15'7,pp20,116] make a definite a tribution to the picture of what is a pening to incomes. As one who sha in the responsibility of bargaining a tions with unions, I have an extra terest in the entire subject.

Has your Economics Staff formed opinion as to whether the mid-lincome would be considered as a stripping available goods as of the

tumn of 1946?

Naturally it would be a healthy a ation if the real income could be tained at a higher level than is case for the autumn of 1946, provi the output of goods and services a ally was keeping pace with the impincome of mid-1945.

I have talked to various retailers others in the field of distribution; in a few cases, there seems to be accumulation of goods, some of whis necessary to have a properly futioning distribution system. Howe it would seem that, in the long run is vital to the entire economy not have wages lag behind to the pawhere the cycle of distribution becommoduly interrupted. Nor would it healthy situation to bring about a hadeflation with so much debt exist

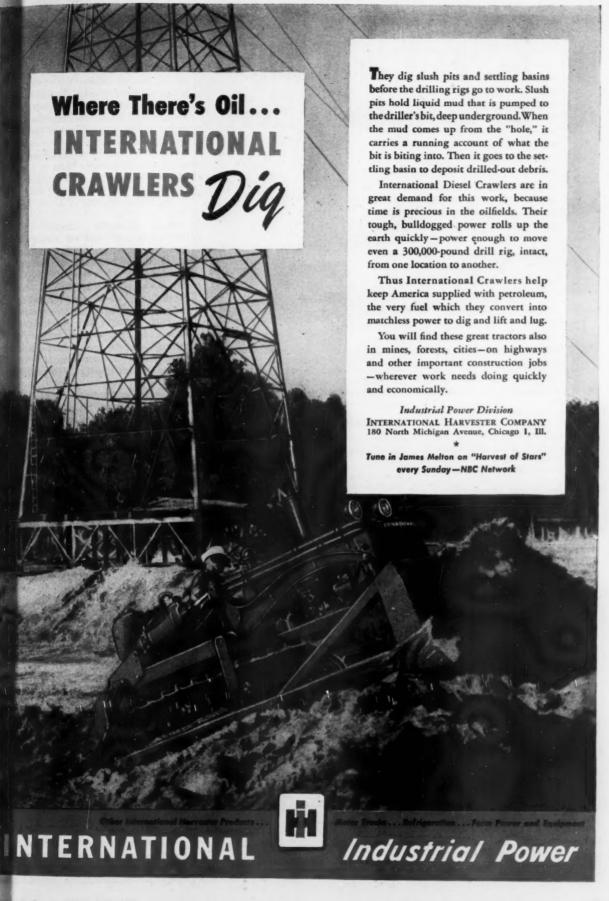
On the other hand it is equally healthy to continue the spiral of praises, with the expectancy of an exual thud as we subside to a relati-

low level.

Don V. E Plant Mgr., Cities Service Oil Co., Ponca City, Okla.

On the question of whether the I nomics Staff thinks the income of we ers at the mid-1945 level could considered as being in excess of the larged supply of goods available in autumn of 1946, assuming that the goods were priced at mid-1945 prothe answer is an unqualified "ye If money incomes were the equival of mid-1945, and workers chose to spe as large a proportion on consumer go as they have in recent months, proposed the mid-19 level.

In mid-1945 workers and other of suming groups were saving a sizable portion of their incomes. Indeed, psonal savings were at a record rate about \$40 billion annually out of total disposable income (personal comes minus taxes) of around \$142 lion. Consumers were more or forced to save because supplies were lies.



R

deal W-Fite (t is ho shing i

med nid-l' as (

hv

be is is provides as implification; a be f wh

y fu

owe

run not e po econ it b a ha existi ally

elati

v. E o., he E of wo uld the

ir t the prid "ye uivale o spe r goo pri d-19

er o de p d, p

al 42 or re li

## NO "HUMIDITY HEADACHE" on the Cargocaire Fleet



When importers of coffee, sugar, cocoa and tobacco ship their goods on the Cargocaire Fleet, they expect good out-turns. That's because there's no danger of sweat damage to cargoes—no "humidity head-ache" for shipper, consignee or ship

to the Caraccaire Fleet.

And exporters of grains, machinery, packaged and canned goods have also learned to specify these vessels for all their shipments.

#### No Sweat Damage

Why? Because these ships-more than 100 of them-offer the constant protection of Cargocaire, the de-humidification and ventilating system that prevents moisture damage.

Cargocaire operates when the moisture content of the air in a ship's cargo hold approaches the danger dewpoint-that point at which moisture forms.

Changing weather-fronts may

bring about this "dewpoint danger hour" at any time during a voyage. But in a Cargocaire equipped ship the relative humidity is under control. Moisture does not condense on the cargo. Sweat damage is prevented.

#### The Cargocaire Fleet

Cargocaire is available—or is being installed-on ships of the following

American Export Lines • American-Hawaiian S. S. Co. • American President Lines • American South African Line • American Mail Line • Blue Star Line (British) . Brodin Line (Swedish) . Coastwise - • Delta Line • Furness Withy (British) • Grace Lines • Isthmian Line • Lloyd Brasileiro (Brazilian) • Lykes Brothers S. S. Co. • Moore-McCormack Lines • Peninsular & Oriental (British) . Robin Line . Shepard S. S. Co. . Waterman S. S. Co. . Werkeback's S. S. Co. (Swedish) . South Atlantic Steamship Line, Inc.

If you want to learn how Cargocaire can prevent "humidity headache" for you, send the coupon below.



#### CARGOCAIRE ENGINEERING CORPORATION

15 PARK ROW, NEW YORK 7, N.Y.

Vancouver

London



Dept. U-2, Cargocaire Engineering Corporation 15 Park Row, New York 7, N. Y.	
Gentlemen: Please send me the story of Cargocaire and the Cargocaire Fleet List.	
Name	
Company	
Address	

ited and the prices on them were from the vere between mid-1945 and the autorian n

of 1946 the total of goods and senior mids available to consumers had been creased about one-fifth. Over the period, money income of workers R sine group declined slightly, but money the w comes of farmers, storekeepers, st le tio holders, and others who benefited h higher prices rose. The net result 100 inco an advance in the total disposable come of consumers to \$149 billiound much smaller increase than in the ply of goods. But, by this time, its: sumers had cut the amount they saving to the low rate of about \$17 ale of ca

Mar. 15 Thus, primarily because of greatly reduced rate of savings, fter se sumer expenditures had risen dramath poj cally from a rate of \$102 billion annuous s, t in mid-1945 to a rate of \$132 ttendan lion in the autumn of 1946. Consus 90%. expenditures (but not consumer fore co comes) had outstripped the increasheir par consumer supplies. We conclude, that bob fore, that, once price controls werell up of moved, workers and other consumation of were willing to save less and to unity in deeper into their pockets to pay higuit nice prices.

One of the uncertainties of the 100% look over coming months is whetheatre consumers can continue to pay prose on as they currently stand. For the costelect. living has jumped a further 4% shem. U mid-October. Moreover, the supply aving t consumer goods coming to market is expanding. At the same time, totective cushion available from savings out etroit, current income has been deflated

hat the minimum. The judgment of the Economics Strop of set forth in the Dec. 28 issue of Bhey carness Week (page 41), is that the age of prices cannot be maintain emm. throughout the year at current levels

what most observers believe to be

#### Inquisitors

anufac Not only does our income tax strBW-N ture need complete revision, as statedommer your recent Report to Executives ["Oroduct Tax Structure"-BW-Feb.1'47,p3nodest] but so do the methods used by our Mack

In ba

on ca

In the past eight years I have papacity pared more than 4,000 tax returns. Tories w field man I have to deal with on quinte. It tions arising from such returns too oftnd ass sets himself up as the law, prosecutioned attorney, court, judge, and jury, all rolleen gre

These men belong back in the Sale ice-Prowitchcraft trials or the Spanish Inquiack Mitton. They have the whole weight allow You power of the government behind the and they use it to threaten, bulldo This bully, intimidate, and make gross meighed statements. We have just fought a gree lester ere floor e war to do away with such totali-e autorian methods, and here they are in d serum nidst.

(Name withheld)

the s Beiness Week withholds the name kers writer of the above letter in connoney f to rs, studen tion of the problems he already ted in battling through an average of esult 00 income tax returns a year.

#### billio cund Effects the

been

sable

me, disa In reading your report on the rising \$17 ale of candy, popcorn, and other items of Mr.15'47,p22], I am reminded that, gs, tter several disagreeable experiences dramith popcorn crunchers in local movie annuous, this family has cut down on its 132 trendance at the picture shows by 75% onsus 90%. If theatre managers have no mer lore consideration for the pleasure of reasheir patrons than to tempt every kid e, thad bobby-soxer-and their parents-to werell up on popcorn during the presen-nsumation of the pictures, we are just one to mily in a million that can get along higuite nicely without the movies.

Not content with raising prices 75% the a 100%-and running Grade D filmswhetheatre management must further imphose on the public with the popcorn cosacket. We can take our films or leave shem, Under the circumstances, we are ppheaving them-to empty seats.

ket H. Tom Collord ne, rotective Coatings, Inc., out etroit, Mich.

ited be The motion picture houses—feeling hat their boxoffice receipts may soon es Strop off-are employing every device f Bhey can to keep their revenues up.

#### tailemmed In by Strike vels

In basing an appraisal of the producion capabilities of the several truck nanufacturers on their 1946 records strBW-Mar.1'47,p34], Business Week ntedommented that Mack had stepped up ["Croduction but "was hemmed in by only 7,p nodestly enlarged capacity."

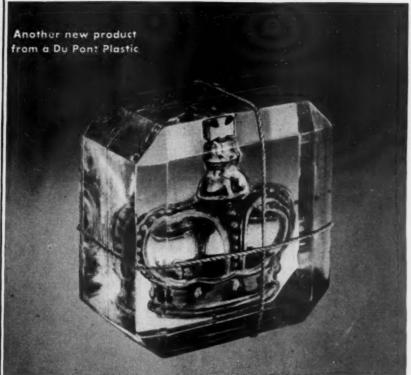
Mack production in 1946 was very

nall, not because it did not have the e papacity to produce, but because fac-s. Thries were closed by a seven months' quarite. Mack foundries, machine shops, oftend assembly lines have all been excutionded and production capacity has rolleen greatly increased.

A. N. Morton

Sale ice-President, qualack Manufacturing Corp., t alew York, N. Y.

ldo This strike factor should have been s meighed into the calculation which will gree ested by the 1947 record.



#### SOMETHING NEW IN SCENT'S APPEAL

Perfume package of Du Pont "Lucite" paves the way to new sales

"LOVELY!" WOMEN SIGH ... and men buy! They're stopped by the diamond-like brilliance and dramatic beauty of this new perfume package...made of Du Pont "Lucite."

In planning the introduction of a luxurious perfume, Matchabelli designed this unusual faceted package to take full advantage of the crystal clarity, light weight, durability, and protective qualities of "Lucite."

For packages, "Lucite" acrylic resin gives shatter resistance and crystal clarity in many colors; its ability to edge-light permits unusual illumination effects. "Lucite" recommends itself for a host of other uses, too, because it has good tensile and flexural strength, is chemically inert and can be easily and economically fabricated.

Investigate the properties of "Lucite" ... and other Du Pont plastics. You may find a way to develop a new product, or a means of improving an old one. Write now for literature. It will pay you to have it in your files. E. I. du Pont de Nemours & Co. (Inc.), Room 604, Arlington, New Jersey.

Prince Matchabelli perfume package, made by Industrial Conversions, Inc., New York, N. Y., was awarded the Beauty Fashion Award for 1946.



retail buyer, you're invited to visit the Du Pont exhibit at the Second National Plastics Exposition, May 6-10, The Coliseum, Chicago, Illino

See Du Pont Plastics on colorful display, including completely new developments. Write us for a ticket of invitation.



... THROUGH CHEMISTRY



Your inventory-no matter what it consists of-is a source of valuable credit. Like cash, it should be kept in constant use.

Let Douglas-Guardian explain how to borrow on inventory, without moving it off your premises. Loans of \$10,000 to \$10,000,000 can be arranged with banks or other lending agencies. The amount you borrow is limited only by value of your merchandise. Send for our booklet giving complete facts.



#### DOUGLAS-GUARDIAN EHOUSE CORPORATION

50 Broad Street New York, N.Y.

I'm interested in a bank loan on inventory, Please send me a copy of PROFITS ON YOUR PREMISES.

Name\_

BW-4-5

## PRODUCTION

## Coal and Oil Giants Join Hand

Purpose: to find practical commercial methods of converting coal into synthetic liquid fuels. Cooperative research is undertake by Pittsburgh Consolidation and Standard of New Jersey.

Twenty-five years ago, a petroleum-shortage scare centered the oil industry's attention on methods of converting coal into synthetic liquid fuels. Standard Oil Co. (N. J.) went so far as to purchase German patents and knowhow on such a process; and it made the data available to the entire industry.

Then came the discovery of the East Texas oil fields. Oil reserves soared, and the economic pressure went off. But the techniques remained available, and research continued, against the day when commercial production of synthetic fuels from coal would be eco-

nomically feasible.

• Joint Project-Last week came indications that such a time may not be far off. Pittsburgh Consolidation Coal Co.—the world's largest coal company— and Standard of New Jersey—the world's largest oil company—announced a joint venture into coal gasification The project might well reach the \$10

million commercial stage in a few year Presumably, Consolidation will funish coal and technicians; Standa the know-how, and eventually mercha dising. In another arrangement tied with the project, Consolidation is joing forces with Hydrocarbon Research Inc. This will make available an add tional amount of know-how on production of synthetic gas and liquing fuels (BW-Jul.21'45,p74).

• How It's Done-Research will continue to the synthetic gas and liquing fuels (BW-Jul.21'45,p74).

ter on the problem of converting of into synthesis gas. Synthesis gas co sists principally of carbon monoxi and hydrogen, includes some carbo dioxide. It can be made by subjecting crushed coal, steam, and oxygen 2,000 F in a generator utilizing the "fluidized solids" technique. (The

#### An Easy Way to Measure Hardness

What's the material's hardness? Metallurgists need the answer to this question when developing new alloys. Reason: Hardness is closely associated with structure, composi-

tion, and mechanical properties.

Researchers at the Kearny (N. J.)
laboratories of the United States
Steel Corp. have a device (right) to determine the hardness of microscopic grains within steel. The machine is so accurate that it can gage





HERE

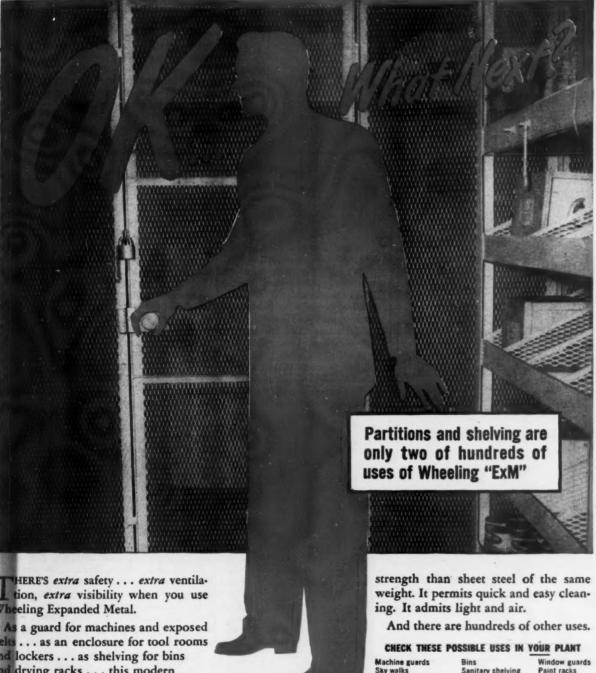
tion.

lock dryir

MEELIN

the hardness of a single grain at as many as three points within the breadth of a human hair.

The microhardness tester makes a tiny square dent in the steel sample under test, using a small diam ond (left) loaded with a few grams weight. Hardness is then determined by measuring microscopically the length of the diagonals of the square. The length is measured in microns (roughly forty-millionths of an inch).



Wheeling Expanded Metal.

nd lockers . . . as shelving for bins nd drying racks . . . this modern onstruction metal contributes more

Sky walks Tool room enclosures

Sanitary shelving Work baskets

Paint racks

## WHEELING EXPANDED METAL

MEELING CORRUGATING COMPANY WHEELING, WEST VIRGINIA



Atlanta . Boston . Buffalo . Chicago . Cleveland Columbus • Detroit • Kansas City • Louisville Minneapolis • New Orleans • New York Philadelphia • Pittsburgh • Richmond • St. Louis

## DOES YOUR BUSINESS NEED MORE CASH

for working capital or any other sound business use?

Whether you need thousands or millions send today for our book, "A Better Way To Finance Your Business."

Learn how little money costs . . . how much more you can get . . . and how long you can use it under our liberal, low-cost Commercial Financing Plan.

Just write or telephone the nearest Commercial Credit office listed below.

Baltimore, New York, Chicago, Los Angeles, San Francisco, Portland, Ore.



Financing Offices in Principal Cities of United States and Canada

technique was developed originally by the oil industry to improve the quality of gasoline.) Powdered coal or coke is agitated into a cyclone, to form the carbon monoxide and hydrogen mixture.

Once the synthesis gas is formed and purified, it can be transformed into synthetic gasoline, diesel oil, and chemicals by various methods. One such is a Standard of New Jersey process using the fluidized solids technique awith a catalyst in a reactor. A amount of heat is released in this formation. In the fluid-type to however, the cooling rate is high, means a large reduction in investigation maintenance, and operating cost.

rea nd

loc

tar

F

00

ion ast

im: y Pur

ati

xp yni T

thro

in v

have

S

com

abo

mea

the

o Co plan

cials

mo

B

olic

mill

to e

ties

cu.

be o

basis

duce

migl

plan

MC

A

C

u

Corp

ethy

olan

Cha

velo

usefu

mate

ofte

cons

ibilit

tures

food

BUSI

Po

mate

maintenance, and operating cost.
The synthesis products leaving reactor are cooled in a condense then passed to a separator divorces liquids from gases. The

#### THE PRODUCTION PATTERN

#### Ballyhoo Backfire

When a product fails in service, whether it is an industrial gear or a child's toy, the user can blame: (1) misuse; (2) poor manufacture; or (3) inferior materials.

Careless use of the product is more often caused by ignorance than by willful action. And the responsibility for user ignorance often rests as squarely on the industry concerned as does the responsibility for poor manufacture and inferior materials.

The experience of the plastics industry in recent months—dramatized by a sales slump in retail merchandise and a growing resistance of retail store buyers—can serve as a useful lesson to other industries engaged in promoting new materials and processes.

#### Fearful Triumvirate

J. R. Price of the Bakelite Corp. touched on this lesson recently in discussing the reasons and remedies for plastics' troubles before the Pacific Coast division of the Society of the Plastics Industry. He called the manufacturing opportunist, the anxious consumer, and the exuberant writer a fearful "triumvirate." Together, he said, they develop misconceptions, misuse—and an inevitable sales slump.

To Price's list might be added the apathy on the part of industry toward broad, educational public relations. Include that with the "triumvirate" and you can put any new material or process on an unsound commercial basis. This is particularly true if the material or process has an aura of glamor or magic about it.

In plastics, the situation has been particularly severe. According to Price, "fringe" manufacturers have been guilty of inferior fabrication, faulty compounding, and improper use.

He stated that over 70% of the

merchandise eliminated during D cember's retail housecleaning was produced without regard to the plast materials' working qualities. Als Sunday supplement writers has seized on the glamor material as surfire reader interest, with the result that the word "plastics" now conversall things to all men.

that the word "plastics" now conversall things to all men.

Actually "plastics" is a faminame, like "metals." Describing Vinylite as a "plastic" is no moinformative than describing steel as "metal."

#### Up to Industry

A great deal can be done to elimate such headaches before the start. But the job is up to the partiular industry. When a new materia promoted—whether it be plastic magnesium, silicones, or synthet rubber—it must be merchandised a sound basis.

First of all, the properties of the material must satisfy the service of quirements. This means great policing by manufacturers, and continuing efforts toward cooperation product development.

Secondly, the user must know linitations as well as advantages. This educational work, and extends from factual advertising and technical literature through industry-wide, formative labeling. To clinch effectiveness, this program should backed up by sound public relation work. And, of course, quality of manufactured products must be maintained.

Such work can well center in trad associations. As the voice of an industry, the association is in a postion to initiate and guide such activities. Its public relations role should be regarded as important as its tradistatistic function. Then, the individual manufacturer must police his own sphere of activities. In no other was can costly lessons in consumer resistance be avoided.

roducts undergo normal finishing eatment. In addition to gasoline nd gas, the process can turn out large mounts of chemicals, such as ethyl lcohol, ketones, and organic acids, tandard scientists say.

First Step-Move number one in the ooperative program will be the erec-ion of a pilot plant at Library, Pa., ust outside Pittsburgh. The plant (esimated cost: \$300,000) will be staffed y 100 people working under Joseph ursglove, vice-president of Consoliation, in charge of research and de-elopment (BW-Mar.8'47,p53).

The pilot plant will utilize about 50 ons of coal a day. Out of this, officials xpect to produce 2,400,000 cu. ft. of

lue :

this e m ligh. rest

cost.

aving enser or The

ng D

as pr Plast Als ha

is sur

resu

onve

fami

eribi

mo

el a

elin the parti

aten

astic

thet

ed o

f ti

ce i

reati COL rati

lin

his from al li

, i

di

tion

mai

trad n in

pos

ctiv

oul rad

ivid

OWI

wa

ynthesis gas daily.

Tests—A variety of coal will be run hrough the process. Coal from fields n which M. A. Hanna Co. (which conrols Consolidation) and Consolidation ave holdings will get a thorough testing as potential raw material to be used in the process.

Selection of the final site for the commercial plant now being dreamed about would depend to a great extent on how coal from the various fields measured up in pilot-plant runs. Hence, the selection of a site is well in the

Cost-Since any statements as to plant location, size, and product cost are at best only educated guesses, officials gave no exact figures on the smount of total investment.

But some indication as to what the plant's cost might be is given by Conolidation officials who say that \$120million would be needed for a plant o equal in output the combined capacities of Big and Little Inch (400,000,000 cu. ft. per day). High initial cost might be offset to a great degree by utilizing such a plant on a year-round full-load basis. Thus, motor fuel could be produced during the summer; gas products might be sold to gas utilities near the plant area during the winter.

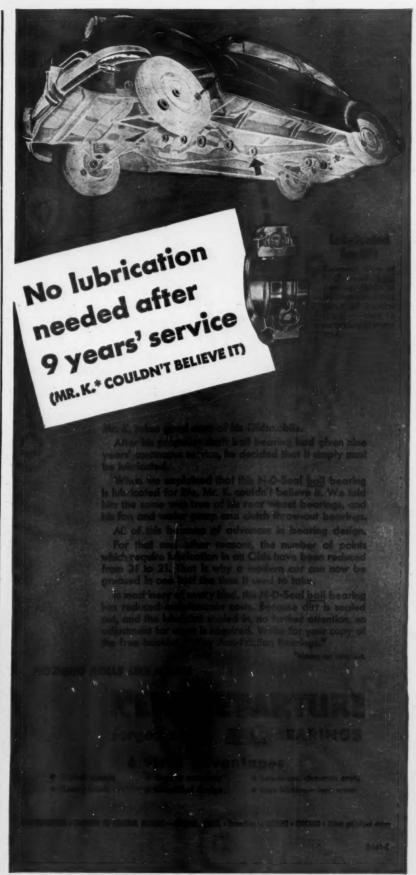
#### MORE PLASTICS CAPACITY

Another expansion in the plasticsmaterials field is under way.

Carbide & Carbon Chemicals Corp., unit of Union Carbide & Carbon Corp., will double its output of poly-ethylene plastic by 1948. Expanded plant facilities will be located at South

Charleston, W. Va.

Polyethylene is a war-baby plastic, developed and promoted because it had outstanding electrical characteristics, useful in radar and coaxial cable. The material, which is thermoplastic (heatsoftening), has spread into numerous consumer fields. Its toughness and flexibility over a wide range of temperatures have led to extensive use in frozenfood packaging. It's used for upholstery,



Plexislas visuali this s the business-building plastic.

Rohm & Haas Company:

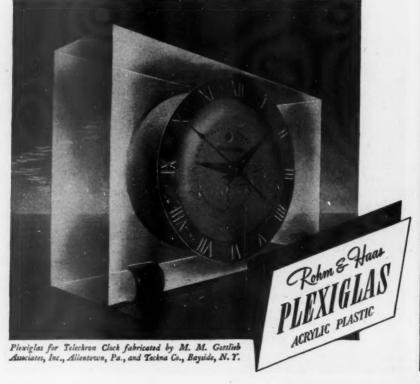
Philadelphia, Detroit, Los Angeles,

Chicago, New York

Care.

 $F_{
m or}$  eye-compelling sparkle, Telechron encases one of its finest clocks in the crystal-clear beauty of PLEXIGLAS. Stop a moment to visualize your merchandise set off by this same gleaming acrylic plastic. Consider how PLEXIGLAS will draw buying eyes to handbags, dresser sets, lamps, costume jewelry, household accessories . . . complimenting their loveliness, complementing their sales appeal. Let us

Only Rohm & Haas makes Plexiglas Sheets and Molding Powders



and is also molded into bowls, tumblers, and ice-cube trays.

100 :

tuges (1)

(2) (3)

becau (4)

cctin

(5)

-pa

ing is

GER/

get a tool p month

Fro

Ord Tool I

Techn

an exh

ford A

FO

insul

form

000

in its

for a

Barb Co.

ever,

lain

incas

porce

main

Carbide & Carbon developed its manufacturing process in cooperation with Linde Air Products Co. Bakelite Corp. compounds the resin and markets the finished plastic. Linde and Bakelite are also Union Carbide & Carbon subsidiaries.

#### NYLON FROM CORNCOBS

A new plant is being built at Niagara Falls, N. Y., to convert corncobs, oat hulls, and peanut shells into an intermediate chemical for nylon manufacture.

Researchers in the electrochemical division of E. I. du Pont de Nemours spent twelve years and \$1 million to perfect the method. The hulls are a source of furfural, base for nylon syn-

Significance of the development is that nylon can now be made, in part, from growable, or "renewable" raw materials-instead of from irreplaceable mineral resources.

#### **BIMETALLIC TIMING GEARS**

After two years of research and testing, Al-Fin Corp., subsidiary of Fairchild Engine & Airplane Corp., is now manufacturing automotive timing gears made of aluminum, with steel hubs. The two metals are held together by Al-Fin's patented bonding process.

The Al-Fin process for chemically bonding aluminum and its base allows to iron and steel was developed during the war. It makes possible bimetallic assemblies combining selected physical properties of both metals,

#### A.C. FOR AUTOS

Increased numbers of electrical accessories in cars create the need for extra current. Officials of police and fire departments, and of truck and bus lines, have long had an answer to this problem. They have installed custombuilt alternating current generators in their vehicles (BW-May18'46,p67).

Such alternators have no commutator or rotating armature windings. They supply more amperes at lower speeds. They can be used in conjunction with a battery by installing a voltage regulator and a rectifier.

One company that formerly produced such equipment on a custom basis is now making it for general use. It is Leece-Neville Co., E. 53rd St. and Hamilton Ave., Cleveland. The company now has in production standard six- and twelve-volt a.c. generating sys tems. The six-volt system delivers to 35 amperes at engine idling speed. and 60 amperes at speeds above 15 m.p.h. The twelve-volt system delivers

100 amperes at idle. Claimed advan-

tages include:
(1) Elimination of battery problems

111th

rp. he ire

oat

CIac-

cal urs

to

a

ırt.

nable

est.

air-OW

ars bs.

by

lly

OV ing

llic cal

for nd

ous his

m in

011gs

ve nc-

age

eed

nd m

ard

2

ed

such as failure and recharging;
(2) Weight saving;
(3) Reduction of burn-out danger, because there is no commutator;

(4) Reversal of rotation without af-

feeting system connections;

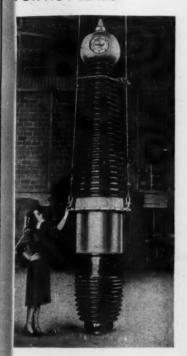
(5) Adaptability of the system to seies-parallel circuits where 24-volt cranking is required.

#### GERMAN TOOLS ON VIEW

American businessmen anxious to get a critical look at German machine-tool practice will get their chance this month.

From Mar. 31 to May 2, the Office of chnical Services, the Office of Chief of Ordnance, and the National Machine Tool Builders Assn. will jointly sponsor an exhibit and demonstration at Frankford Arsenal, Philadelphia.

#### FOR HOT LEADS



This spark plug-like giant will insulate power leads from a transformer supplying current at 230,-000 volts. Should this bushing fail in its job, it would be "lights out" for a big patch of countryside. Barberton Division of Ohio Brass Co. designed it not to fail, however, by submerging nested porcelain insulating tubes in oil, and incasing the whole thing in a porcelain shell. Weight of the mammoth bushing: 6,000 lb.



## **PROGRESS** YOU make possible!

Here are some of the advances Railway Express is making along the road of progress:

New refrigerator cars designed for different types of express shipments are on the way. We're beginning to get deliveries of new motor trucks - welcome replacements and additions to the great fleet of Railway Express vehicles familiar to every neighborhood in America. Many improvements not possible up to now are being expedited.

Such progress is being realized with the help of increased rates for Railway Express service which you are now paying . . . rates which are necessary to meet today's higher material and equipment costs, greater payroll and operating expenses. You are helping us to carry out our long-made plans toward serving you better.

## RAILWAY EXPRESS

NATION-WIDE RAIL-AIR SERVICE



Two 60-horsepower automatic York-Shipley industrial oil burners generate steam for the Schine-Jefferson Bidg. (Palace Theatre) in Water-town, N. Y.

#### DISTRIBUTION

The finest equipment built can prove a headache to the owner if it is not installed according to the directions of the manufacturer.

For that reason, our Industrial Distributors are carefully selected for their engineering knowledge and business integrity. The fine equipment which they sell and install is not subjected to the perils of haphazard distribution and installation. That is why we urge you to use their services when you require such products as York - Shipley Industrial Burners. Industrial Division. York-Shipley, Inc., York, Pa.

priceless quality precision combustion

May we mail you copies of Catalogs ID-47-8A and ID-46-6A which tell the story of York-Shipley Industrial Burners and how they accomplish precision com-bustion with either light or heavy oil?

## YORK-SHII

Oil-Fired Equipment for Industry

AMERICA'S MOST COMPLETE LINE IN CANADA-SHIPLEY CO., LTD., TORONTO

#### **NEW PRODUCTS**

#### Fire-Fighter

New foam fire-fighting equipment for industrial plants' dip and quenching tanks and drainboards has been an-nounced by National Foam System, Inc., 1400 Packard Bldg., Philadelphia 2. It is said to bring fires under control in 25 seconds.

The units are made in three standard sizes for five different water pressures as high as 100 psi. Aer-o-foam liquid used in the equipment is said to produce a tightly cohesive, smothering foam when 0.6% of the liquid is mixed with 9.4% water and 90% air. The unit consists of a brass foam-maker body for mixing the ingredients in proper quantities, a steel discharge tube, and a steel deflector box. The foam passes down the deflector box onto the burning surface of

Availability: immediate delivery.

#### Feed Dryer

Intended for farm use, a new dehydrator manufactured by J. B. Beaird Co., Inc., Shreveport, La., is fired by an industrial-type rotary burner using heavy fuel oil. The dehydrator, called the Challenger, is said to enable farmers to dry and store perishable feed products which would otherwise spoil.

Drying is done in a long revolving cylindrical drum through which the furnace heat is drawn by an exhaust blower. The raw product is fed into a hopper near floor level and conveyed to the shredder where revolving corrugated knives cut it up. It is then fed into the upper end of the dehydrator drum. The drying feed moves gradually to the separator at the outlet end, where it is ejected for cooling, sacking, and storage.

#### Plastic Level

For plumbing and heating engineers Lawco Plastic Products Co., Chicago, has a pocket-size spirit level (below). Made of Plexiglas, a transparent plastic, the level indicates six different angles. Advantages claimed for the device include light weight, sturdiness, and show resistance. Different colored fluids used for each of the six indicators. Availability: immediate delivery.

#### Pallet Loader

The Palletizer being manufactured Production Aids, Inc., North Holwood, Calif., loads packages automa cally from a conveyor line onto emp pallets. Packages or cartons comCha

Divis

device

lounce

East 42 has a

22×28x

inner a

nohes

nic nic

Avail

ne ol V

trie ditio

shin ss ca

red. inis

n m

ving

INES

The

H

din



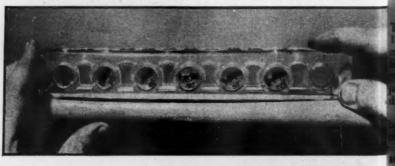
from the conveyor can be assembled stacked on the pallet in various arran ments, depending on the number size of the packages to be loaded or single pallet. Layers of cartons are tated as desired to cross-tie the lo

The machine, completely automa in operation, includes a safety mech ism to stop the operation if the pal to be used run out. Sufficient pal can be placed in the rear of the mach to load for one hour, operating at rate of carton sealing machines.

Availability: delivery in four to months.

#### New DDT Formulation

For insect control, Charles Edwa Chemical Corp., 1011 Diamond Philadelphia 22, has developed an em sion containing 25% DDT, known exterior H-4 Emulsion Concentrate. The enforcement sion is not offered as a cure-all. But is claimed to enhance the effects DDT and to decrease its initial cond Die-Te



tration to such a point that dilutions of the material are not injurious to plants and animals.

Standard entomological tests are reported to have shown excellent results against flies, roaches, aphids, mites, weevils, and other insects.

Availability: samples now; quantities

in three months.

Ors.

ured

Ho

tom

em

to

#### Charge Detector

The Statometer, manufactured by D vis Emergency Equipment Co., Inc., 87 Halleck St., Newark 4, N. J., is a device for detecting static charges. According to the manufacturer, static the rges as small as fractional voltages, her negative or positive, can be deted and measured by the instrument. e measuring scale runs from 0 to 750 ts.

Availability: immediate delivery.

#### ortable Refrigeration

Designed for use in homes, bars, and el rooms, a new portable electric reerator called Freez-Pak has been an-



nounced by Danese & Jewel, Inc., 112 East 42nd St., New York 17. The unit has a 2½-cu. ft. capacity and measures 22x28x16 in. Weight is 55 lb. The refrigerator has an aluminum

The refrigerator has an aluminum inner and outer shell, separated by two inches of Fiberglas insulation. Shelves are nickel-plated, and eight different color combinations are available as an enterior finish. According to the manufacturers, no defrosting is necessary.

Availability: Deliveries begin in June.

## Die-Testing Press

A new press in production by Alpha ol Works, 5420 Beechton, Detroit tries dies under actual production ditions. It is designed to make shing easier, faster, and more accuators are manufacturer says that the ass can also be used for production if fired.

inishing work can be performed on h male and female dies without reving them from the press. A crank

#### MEMORANDUM

#### TO MANAGEMENT

N S

What has happened to the American market? What have been the important shifts in population and in buying power? Has the return of peace brought about significant changes in the importance of various segments of our national market?



These are questions which are of vital concern to the manufacturers and distributors of both consumer and industrial products. And, for that matter, of equal concern to the men who manage the transportation and communication systems of our country, or who finance the production and distribution of goods.

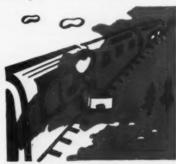
Beginning in its issue of April 12th, Business Week will publish a series of eight Special Reports on "The New American Market." The first of the series will deal with that thriving area: "The Far Western States."

This series of reports was conceived and planned six months ago. A task force comprised of Kenneth Kramer, Executive Editor of Business Week, two members of our economics staff and especially qualified correspondents in each area was assigned to the project. Their unremitting efforts have brought material for the first report to a point where it is almost ready for publication. The rest of the series is well under way.



Each report will be a keenly analytical study of the economics of the area under examination; the importance of its natural resources and its industrial development; the number and purchasing power of its people. Charts, tables and lucidly written text will all contribute to a vivid and accurate picture of the changes which peace has brought to postwar America as a market for goods.

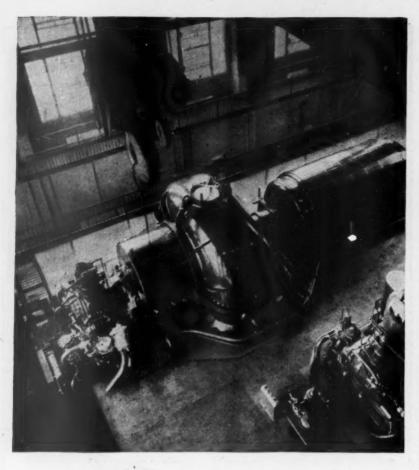
As part of the field work for this first report Executive Editor Kramer traveled more than 11,000 miles through California, Oregon, Washington, Arizona, Utah, Idaho, and Nevada, consulting with Business Week's correspondents and interviewing leading manufacturers, wholesalers, retailers, bankers, public utility executives and newspaper men. Field work has been supplemented by mail questionnaires. The final result is a completely new analysis of changes in the far West.



There will be eight reports in "The New American Market" series. Seven, published at approximate monthly intervals during the year, will be devoted to regional market studies; the eighth will be a summation from a national point of view.

Business Week has undertaken this project because we believe these reports will be of very real service to management. There has never been greater need for a clear picture of our national market than today and accurate, up-to-date information — due to the interruption of war — has rarely been more difficult to get.

PUBLISHER



## One accident can make you POWERless

You would indeed be powerless if a major accident should occur to your power equipment. Your property would be damaged, repairs might be slow and costly, replacements hard to get. You wouldn't have the power to turn out goods, the power to hold your markets.

You will save worry and lost production by knowing for sure the present condition of your power equipment. Insurance with Hartford Steam Boiler can help you take care of it. The unique inspection service of the Company is considered by policyholders to be worth many times the premium cost.

Hartford Steam Boiler's field engineers-the largest staff of its kind in the nation - devote full time to regular inspections of insured power equipment. These men draw on the Company's 81 years of experience in this highly specialized field. They know the possible danger pointscheck them carefully to guard against costly breakdowns. Their advice has often added years to the life of expensive power installations.

The experienced engineering "know how" of Hartford Steam Boiler is one of the many features that make this Company the first choice among purchasers of boiler and machinery insur-

ance. For full details, call your agent or broker.



#### The Hartford Steam Boiler Inspection and Insurance Company HARTFORD, CONNECTICUT

Covers: Boilors . Pressure Vessels . Steam, Gas and Diesel Engines . Turbines . Electrical Equi

retracts position pins, allowing the bo ster and head to be tilted so the die accessible for work. When correction are completed, the die returns to original position for checking.

t to

nber

vai

produc

Patro

nce

cast

homes The

trolled a

which c pilot lig

Avail

Stream

Mode

y si

ion s ions

24

y as

on

vaila

Specifications for the Alpha Pic Model 40 are: capacity, 40 tons; strol 33 in.; strokes per minute, 100.

Availability: delivery in four weeks.

#### **Electronic Speed Cop**

Speed of moving vehicles can now measured from cars parked inconspic ously off the highway, using an instru ment developed by Automatic Sign Division, Eastern Industries, Inc., No walk, Conn. The equipment weigh only 45 lb., can be operated either from a standard 6-volt automobile storage ball

tery or from 120-volt a.c. current.
The device, called Electro-Mat Speed Meter, operates on a radar pri ciple. Radio-frequency microwaves a beamed at a car coming toward or g ing away from the instrument. The radiation is reflected back to the tran mitter-receiver, where the operator real the vehicle's speed directly from a line scale. If desired, a graphic recorder of be connected.

Accuracy within 2 m.p.h. is claim the at speeds up to 100 m.p.h. The open Called ing zone extends about 150 ft. fro is desig the transmitter-receiver unit.

Availability: delivery in four weeks.

#### **Timber Connector**

Trip-L-Grip framing anchors are no timber connectors intended to increa rigidity around window and door ope ings and in floor and wall framing. Ma of 18-gage zinc-coated sheet steel, t anchors are joined to the wood winew ele nails said to develop maximum she tem ma without splitting the lumber.

thout splitting the lumber.

Chicago
The anchors are designed for joini available joists to beams, studs to sills, rafte cluded a to plates, studs to girts, and beams bus



ports. Flanges on the anchors may be bent to meet unusual joining problems. Tember Engineering Co., 1319 18th St., N.W., Washington, D. C., makes the product.

Availability: delivery in two to three

#### Petroleum Gas Heater

A new gas conversion burner announced by Tonnoc Mfg. Co., St. Louis 19, casts its flame directly onto the fur-



nace walls by side flame outlets, rather than upward against a baffle plate. Called the Brown Burner, the device is designed primarily for heating farm homes with liquid petroleum gas.

The burner is thermostatically controlled and has an electrical shutoff valve which closes the gas-supply valve if the pilot light goes out.

Availability: immediate delivery.

#### Streamlined Intercom

Modern design is incorporated in a new electronic intercommunication system manufactured by Rauland Corp., Chicago. The master station unit is available with or without handset. Intercluded among new features are a visual busy signal, locking pushbuttons for station selection, and plug-in cable connections.

ystems are available with facilities 24 master stations, permitting as an ay as twelve conversations to be carried on simultaneously.

vailability: Deliveries begin in June.







## of Massachusetts

As part of a long-term program of modernization, the Hathaway Manufacturing Co. is spending \$2,000,000 on its plant in New Bedford. Personnel and production will be increased by 25%. The annual payroll will soon go up over \$6,000,000. This leading producer of rayon and acetate linings and curtain fabrics has this kind of faith in Massachusetts.

Many other firms are now investigating Massachusetts . . . because of the factors that promise profitable investment and healthy expansion. For, the Bay State tax structure favors growth. Markets are quickly reached through lower-cost routes both inland and abroad. Available labor is skilled in many crafts. And, unexcelled research facilities are close at hand.

#### FOR DETAILS.

of the Massachusetts industrial picture and what it can offer you, write for THE OPEN BOOK. Address the Massachusetts Development and Industrial Commission, Dept (H-20 Somerset Street, Boston 8, Massachusetts.



## MARKETING

## New Recorders Challenge Dis

Phonograph record manufacturers remain outwardly moved, deny any threat to their mounting sales. But wire and a recorders are becoming available—and are selling rapidly.

Enthusiasts of magnetic recording on wire or tape have long predicted that once such devices for home use were available, they would knock the phonograph record business for a loop. Now the day of reckoning is at hand. One machine of each type is now available, and the music trade is beginning to buzz with pros and cons.

• Brisk Selling—Those who fear the worst for the future of disk recordings won't get much comfort from the hot-cake sale of these first machines. In Chicago, Sears, Roebuck & Co. sold 1,000 sets of its combination wire recorder, phonograph, and radio in the first three days it was offered—at \$169.50 (BW—Mar.15'47,p24). Many buyers were businessmen, radio technicians, or musicians. Not a few were clergymen who presumably wanted to practice their sermons.

Earlier, in New York, the Sound ror had found easy sales at \$22 This is a magnetic tape recorder ratio for by Brush Development Co., not in ing radio or phonograph (BW-26'46,p50). Some dealers, notably partment stores, reported that garden-variety customers found Soundmirror too high priced and rausers complicated to operate. But G. Smatical mer, Inc., whose trade is with musicand the music-minded, sold its twelve Soundmirrors in 1½ hours. still selling them faster than it can deliveries.

V

Ra

of tl

is a

• More to Come—Within the next or two about 60 firms are expet to bring out home recorders using a wire or paper tape. The range of (and performance) bids fair to be

For example, Lear, Inc., plan market a combination wire reco



#### CONSTRUCTION KIBITZERS' DAY

"Sidewalk superintendents" usually kibitz at a distance. But spectators a big Fort Lauderdale (Fla.) construction job—the Burdine Buildinggot a taste of real southern hospitality. Caldwell Scott Construction Coput notices in the papers inviting the "Burdine Building Sidewalk Superintendents Club" to attend a preview of the job. They came—400 strong

FM and AM radio, and phonograph. It will be available next September for about \$800. And Peltoy Mfg. Co., a York toy xylophone maker, is ving a tape recorder, without radio or phonograph. Gimbel Bros., Inc., and retailers will sell this one for less \$100.

dly Advantages-Those who think magnd record sales have some cogent reasoning. Why, they ask, should consumers pay for disks-especially at today's high prices-when they can snitch comparaound ble entertainment off the air at lower S22 cost? (An hour-long spool of wire reder stalls for \$3.98; a half-hour spool of tape

ot in for \$2.50).

With either wire or tape it is easy to tably snip out commercials and other undenat features. Furthermore, with the and addition of a \$12 electric clock-timer, nd nusers can record radio programs auto-G. Smatically and silently. Thus if they nusimiss, say, Fibber McGee on Tuesday its evening, they can record the show and

urs.

t ca

next exp

ng

of

be

plan rec

100

0119

listen to it at a more convenient hour.

Symphonic or operatic music programs can be captured for future replaying thousands of times, with a fidelity that satisfies all but the ultra-discriminating. Disk recordings inevitably involve frequent interruptions for changing the record; tape or wire plays half an hour or more without stop-

Outward Calm-Manufacturers of phonographs and phonograph records refuse to be alarmed-publicly, at least. Their attitude is that the so-called threat to disk records so far doesn't exist. That doesn't keep their engineers from frantic research.

The No. 1 problem is the lack of any means for mass producing commercial recordings on tape or wire, comparable to the speed with which disk records can be pressed. That is also, of course, the biggest single obstacle to widespread use of home magnetic recorders. Record manufacturers are quick to ask how many people will Good food served at the plant builds more energy, better spirits, a will to do more. When you serve it at its best you invest in steppedup output. Let Pick En-

#### Railroad's Specialist Promotes Good Packaging

The Union Pacific R.R., mindful of the terrific rise in damage claims freight shipments (BW-Jan. 11'47,p 36), thinks it has the prob-lem licked. The answer, officials say, is a "container engineeer."

For a year now the line has employed in that post Warren R. Vhite. He came to U.P. from the lavy, where he had designed all linds of crates and packages. U.P. nanagement asserts that White has ved "many thousands of dollars." and shippers, jobbers, and retailers ave reaped benefits from his work.

White's method is to investigate ntainer failures, then suggest to ippers and consignees "friendly and elpful" remedies for correct packagig (below). The tact and effectiveness of his approach have netted the road more than 100 thank-you let-

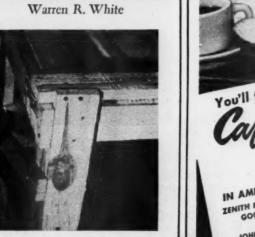




Failure . . .



. . . remedy





## **Clock and Dagger Mystery**

(Solving time: 2 minutes)

It doesn't take long to track down the culprit here!

The desk is littered with clues. Unanswered letters, memos. Pages of shorthand that represent hours of dictation-that mean more hours of decoding.

Person-to-person dictation is to blame,

#### Dictaphone\* to the rescue!

The Dictaphone method lets a man relax.

Alone, at ease, he can talk all of his business-each fleeting thought-into the handy microphone. And it frees his secretary, too. Enables her to get her other work done while the mike "takes" her dictation for her.

Your Dictaphone dictating machine doubles your working ability. And it practically turns the lights off at 5 p.m.

Yes, you can solve many of your office problems in 2 minutes flat. In the time it takes to phone your Dictaphone represenas usual. An outdated method that keeps two people busy doing what should be a one-man operation.

It slows down office routine-making for long hours and short tempers.

What this office needs is modern, speedy Electronic Dictation!



tative for a demonstration-or to write Dictaphone Corporation (Dept. D-4, 420 Lexington Ave., New York 17, N. Y.) for descriptive literature.

\*The word DICTAPHONE is the registered trade-mark of Dictaphone Corporation, makers of Electronic and Acoustic dictating machines and other sound-recording and reproducing equipment bearing said trade-mark. take the trouble to build a recombinary by snatching recordings from

• Dealers' Reaction-Up to now ph graph record dealers have paid little tention to the possible threat of netic home recorders. The chief reason is that they are too busy selling reco The accepted estimate of last sales is 300,000,000 disks, and sales are expected to be about 500.0

This week James W. Murray, an president of RCA Victor division Radio Corp. of America, sought to lay any nebulous fears. In Music B ness, a trade magazine, he reass disk dealers that "even when magn recording becomes available on broader, more economically feasing scale," they would still be in busing more economically feas

th

G

subdiv

st thre rvington

EXEC

Home

ve l

He pointed to the millions of A th ilies now owning radio-phonogracombinations, and the millions n who are in the market for them. he cited as proof of a continuing mand for disk recordings. Presum by the time it peters out, RCA ousing others in the business will have for pened for an economical means of making of mercial recording on tape or wire.

#### SALES TAXES BLOSSOM

Tennessee has broken the tenlull in the trend toward state retails tax laws. It has just become the state to adopt such a levy.

Rhode Island may be next (BW-F 15'47,p68). A nonpartisan, five-man Study Commission has recommended retail sales tax to raise \$14,000,00 needed to meet increases in sci teachers' pay and boosts in other of

Retailers in Rhode Island are oppo to the measure. They are especi afraid that they will lose a good deal trade now coming from border of munities in Connecticut and Massac setts, which do not have sales ta

#### MACY'S GOES WEST

R. H. Macy & Co., Inc., last w bought its fifth wholly owned sub myster ary. It paid cash for the entire cap stock of the John Taylor Dry Go Co. of Kansas City, Mo. This Macy's second stride west of the sissippi. (Its first: O'Connor Moffat and "T Co. in San Francisco.)

A hint as to Macy's possible distance pansion plans for its new acquisi he has may be found in the terms of sto to mar long-term leases on the present p erty and adjacent land from mem of the Taylor family. Rental is a scan I \$147,000 a year plus 2% of sales in which cess of \$6 million. Should expans take place, and sales exceed \$10 mill the percentage would be adjusted do tion.

BUSINESS WEEK . Apr. 5, ISINESS

## ilenes Co-ops

Late Boston merchandiser's Will Fund plans first three f recoperative department stores, recoims at consumer ownership.

Many department store operators have reason to push the late Ed-araid A. Filene, Boston merchandising has atte, one notch higher on their list that traitors to his class."

the Before his death in 1937, Filene pro-cass ide the money for the Edward A. on subdivision, Consumer Distribution fear opporation, the fund will shortly busin ave the co-operative movement solidly of the department store business.

First Stores-Present plans call for the three stores in Providence, R. I., vington, N. J., and Shirlington, Va., car Washington, D. C. The last is ing ear Washington, D. C. The last ing leady under construction, near a large A ousing development, and will be for business about Mar. 1, 1948. Each of the stores will cost in the g a

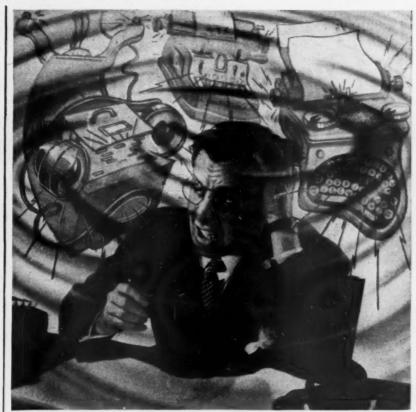
1.

#### **EXECUTIVE WOOS MUSE**



t w Henry Wisdom (Tex) Roden, sub mystery-writing president of New car York's American Home Foods, Go Inc., has gone west, the better to is serve his muse. The 52-year-old e l'author of "You Only Hang Once" ffat and "Too Busy to Die" has settled in Los Angeles. Within hailing ole distance of the movie industry, nisit he has engaged a Hollywood agent sto to market his literary outpourings. He hasn't forsaken American

He hasn't forsaken American Home Foods, nor its parent Amera ican Home Products Corp., of in which he is vice-president. He'll can serve his companies in new terrinill tory while working on his avocado tion.



## DON'T BLAME HIM FOR MISTAKES THAT 34 A DAY WILL STOP

Office noise causes many of the errors often blamed on carelessness. Yet for only 3¢ per day per employee, figured over a few years, you can end that noise. You can quiet the bedlam of clattering machines, clanging bells, and loud voices. All you need is a noise-absorbing ceiling of Armstrong's Cushiontone.

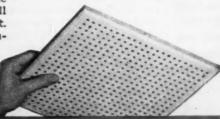
It pays to install Cushiontone for even small mistakes can be costly-far more costly than 3¢ a day. And when your office is free from the strain and fatigue caused by noise, everybody will do more work with less effort.

Cushiontone assures permanent relief from noise. Cleaning and repainting don't affect it. Each 12'

square of Armstrong's Cushiontone has 484 deep fibrous holes which absorb up to 75% of the sound that strikes the ceiling.

Cushiontone is a good reflector of light, too. Ask your local Armstrong contractor to show you how economically you can provide a quiet place to work with Cushiontone.

WRITE FOR FREE BOOKLET, "How to Exterminate Office Noise Demons." It gives complete facts. Armstrong Cork Company, Acoustical Department, 3004 Stevens Street, Lancaster, Pa.



CUSHICHTONE IS A REG, TRADE-MARK

#### ARMSTRONG'S CUSHIONTONE

Made by the Makers of Armstrong's Linoleum and Asphalt Tile

## B-1 Beverage Company uses IRVIN Chair Chutes



Irvin Custom-Built CHAIR Chutes installed in a Stinson. CHAIR Chutes are fitted into the back of the chair...don't have to be carried around, worn or stored.

Irvin Custom-Built CHAIR Chutes installed in a Beechcraft. CHAIR Chutes have the same comfort and beauty as deluxe airplane chairs . . . do not take up extra space.

FEEL SAFER . . .
BE SAFER . . .
with Irvin
Custom-Built
Chair Chutes



Oliver C. Thener, Vice President of the B-1 Beverage Company, St. Louis, Missouri, is an experienced businessman-pilot. In the past twelve months he has flown more than ninety thousand miles in the company's Ercoupe calling on franchised bottlers in thirty-eight states. Mr. Thener believes in flying... in safe flying. He believes it's just plain common sense to prepare for emergencies. That's why the B-1 Ercoupe is equipped with Irvin CHAIR Chutes... for extra flying protection. More and more plane owners are installing Irvin Custom-Built CHAIR Chutes in their planes. Our descriptive circular will give you full particulars about this unusual parachute. Write for it... now.

There are now over 35,000 registered members of the Caterpillar Club.
Should you qualify, please write us.

## IRVING AIR CHUTE CO., INC. 1668 JEFFERSON AVENUE, BUFFALO 8, NEW YORK

Pacific Coast Branch: 1500 Flower St., Glendale 1, Calif.

neighborhood of \$1,000,000, at evenly divided between building of inventory, and fixtures. The building will be two-story affairs with an parking facilities. The Shirling store will handle everything but the other two will take on food to

The corporation says that its a chandising policies will be flexible will respond easily to consumer mand. The stores will go in heavily the popular and medium-priced in Right now, they are shooting for annual volume of between \$1,500 and \$2,000,000.

 The Operators—Buying and merci dising will be centralized under Consumer Distribution Corp., hea by Lester G. Ott.

Ott has an extensive merchandic background. In 17 years with W. Grant, he rose from floorman to gional manager, then spent six y with United Cigar-Whelan stores vice-president and a director. He ahad the title of general operating mager.

Under Ott, as vice-president charge of merchandising, is Albert Haas. With Sears Roebuck for 14 ye Haas had charge of the Brooklyn st He later went to D. A. Schulte, le cigar stores, in charge of general methandise.

• The Money—The Good Will Fun backing its project with about \$1,2 000. However, as planned for Inton, insurance companies may lend amount of the actual building costs.

The Consumer Distribution Cowill sell shares in the local state to members of the community. For details on the par value of the shares and the number to be sold to a state to mer have not yet been decided. A decision on the return to sharehold has not been made. But they sumably will get 3% to 4%; and the will be the usual patronage refunds.

All sales will be on a cash and cobasis as far as the store is concern. But it is planned to have a local counion working through and with a store. It will furnish credit to a tomers, cash to the store.

• No Precedents—Since the fund no precedents to go by it is reluct to say how soon it expects each st to be wholly consumer owned. I as stores are taken over by the osumers in each locality, the fund go out and start new ones.

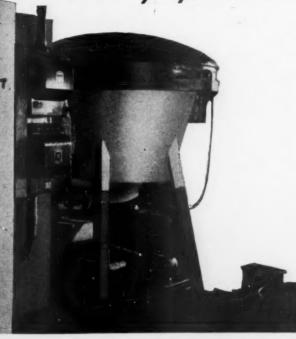
A prospective national chain is ready in the blueprint stage. Howe initial operations will be confined eastern cities where operations are meconvenient. Naturally, Consumer I tribution Corp. expects that as the method ber of stores increases centralized being will bring about more and meconomies.

The Good Will Fund declares

Maybe NOTHING Can Help Your Business...

when it's high vacuum harnessed for production





## ...as in this DPI factory-scale molecular still

Molecular Distillation—distillation under exceptionally high vacuum—has now grown to be much more than a laboratory tool.

Processors of heavy oils, polymers, plasticizers, or any organic material of molecular weight over 300, frequently find that DPI's molecular stills give them an even better method of processing their products. Equipment like the 5-foot-diameter Centrifugal Still pictured is being used now with good results in factory-scale processing.

If your business is concerned with the processing of any organic material with a molecular weight over 300, now is the time for you to investigate the possibilities of Molecular Distillation.

Competition is getting keener daily. Molecular Distillation may give you a real advantage by helping cut processing costs and by helping you produce a superior product. It costs you little to find out the facts.

You can get a laboratory model molecular still for about \$3,000. With it your own researchers can run experiments on "undistillables"—materials incapable of separation by ordinary distillation methods. The results of these experiments easily may provide you with profitable answers to your processing problems.

You can send a sample of the materials you process to DPI for experimental distillation. Skilled high-vacuum technicians will determine whether your sample may be processed in a molecular still, They will provide you with samples of the fractions they remove, along with a complete and confidential report of their findings.

Your request for information about Molecular Distillation and its application to your business—factory or laboratory scale—will be answered completely.

The nothing of DPI's super-vacuum is ready to help you.

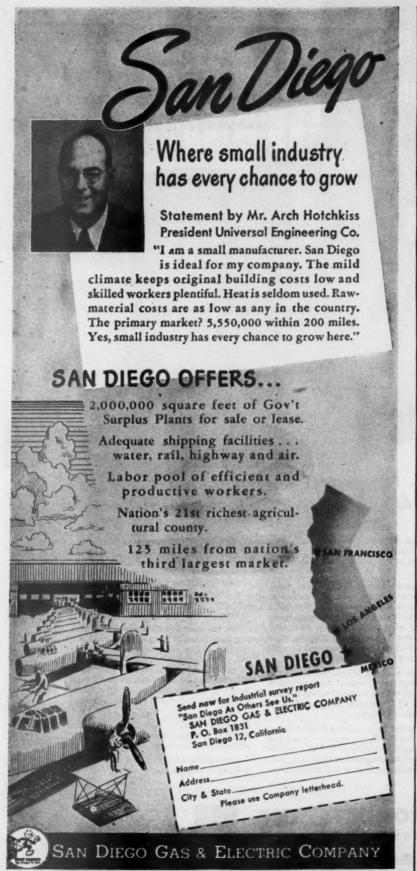
ISTILLATION PRODUCTS, INC.

RIDGE ROAD WEST, ROCHESTER 12. NEW YORK



Roneering in Molecular Distillation and High Vacuum Research





its choice of the first three locations based largely on the fact that a sumer pressure for the stores was structured in those areas. However, it states to reason that prospective competitives weighted very carefully too.

• Prewar Experiments—Before the a the fund conducted its cooperative periments exclusively in food stores. New Haven, Conn., the combined because of its three food stores is ab \$1,000,000 a year. While the full thinks its food venture is highly succeed ful, it does not consider that any terion of the ultimate success of the partment store operation. But them considerable confidence that the dependent store industry's present profits giving the fund a wide area to man ver in.

Up to now, the activities of the have included: publication of works economics; distribution of pamphi and financial assistance to social accies, such as the Institute for Proganda Analysis. But in the future proposes to concentrate more and mon its primary objective—consumowned stores.

As part of that program, it gave its Boston offices this week and mo in with the Consumer Distribut Corp. in New York. Thus the search and merchandising department will live together from now on.

• Competitor to Filene's?—If thi work according to plan, some day fund will run a cooperative comp tor to Filene's in Boston. Edward Filene knew perfectly well that in might happen and was reconciled to Whoever is in charge of Filene's with the competition materializes may the of it in quite another way.

#### **BUYERS' STRIKE SCORES**

Consumer resistance to higher propage 15) has penetrated beyond retail level in at least one instance Butler Bros., major wholesale district or of variety goods, dry goods, ageneral merchandise, announced week that it had been forced to madown prices on many items. As a sult, according to Thomas B. Freem Butler's president, the company expeto show an operating loss for the quarter of 1947.

#### INTERNATIONAL MAGAZIN

Crowell-Collier Publishing Co. week gave some substance to the shad of its long planned international mazine. Thomas H. Beck, board chairm announced that contracts had be signed with publishers in 19 nations the forthcoming multilingual publition. The trade believes that magazine, heavy with pictures, will edited in the U. S. and then translated.

RECISION...

#### 100-Year Reputation for Outstanding Performance, Lasting Quality!

A-C turbo-generator is run 200,000 hours in 34 years—repairs egligible. That's real economy!









#### New opportunities for lubricant sales

If you are a petroleum sales executive, every piston can mean a new opportunity for the increased sale of improved lubricants. In developing these better lubricants, called for by presentday motor design, Monsanto can probably help you with the proper additives needed to blend "premium" quality into your base stocks ... Technical advice and enginetest laboratory facilities are available . . . Write MONSANTO CHEMICAL COMPANY, Petroleum Chemicals Department, 1700 South Second Street, St. Louis 4, Missouri.



Serving Industry . . . Which Serves Mankind

and published in separate editions for foreign nations.

Publication date is not yet set. Paper is still short in many areas where the magazine will appear. Crowell hopes to have contracts with publishers in 30 countries by the time the magazine appears.

#### **BOSTON STORE EXPANDS**

Jordan-Marsh Co. of Boston is out to make itself the "largest department store in the world." And the Allied Stores Corp. subsidiary will soon begin constructing a 14-story unit to make the boast come true-at least in physical proportions.

The building will occupy the present site of the company and that of its adjoining affiliate, C. F. Hovey Co. Construction will be a piecemeal process; business will continue "as usual." At some point the complete physical unification of both properties into a "Greater Jordan's" will take place.

The first phase calls for the completion of a seven-story building in from five to seven years. The other seven stories will probably not be finished in less than 15 years. In addition to permitting the normal functioning of the business, this sectional construction will utilize materials and labor as they become available.

The main exterior feature will be a 10-ft, setback of the main front of the store on the ground level; this will make room for a recessed sidewalk to take some of the load from Boston's narrow, congested streets. Cantilever construction will make the setback possible-and will allow display windows to run several hundred feet without partitions.

Interior features include new link ing designs. Plans also call for vertice transportation devices that the con pany isn't talking about yet. The will be underground truck terminals relieve street-traffic congestion.

#### P. S.

Sears, Roebuck & Co.'s midseas spring flyer catalog of 322 pages cu prices in many soft-goods lines. Man new items, including some hard good are included in the book. Refrigerate

are still conspicuous by their absence.
Spiegel, Inc., Chicago mail-ord
house, announced that its outstanding short-term borrowing from ban amounted to \$10 million at the end a last year. This rise over the previous year's \$750,000 was necessary to finance. increased inventories and accounts ceivable.

Alexander Smith & Sons Carpet Co. 3% reduction in carpet prices has the trade believing other manufacturers w

follow suit shortly.

Borden Co. has been using Owoss Mich., and surrounding towns as a pro ing ground for the home delivery milk in fiber containers instead of glatood for.

TLE C

vant i

-wh

, Fra

And

to wo

we c

k ar

you

go

mmı

We like

When th

new they

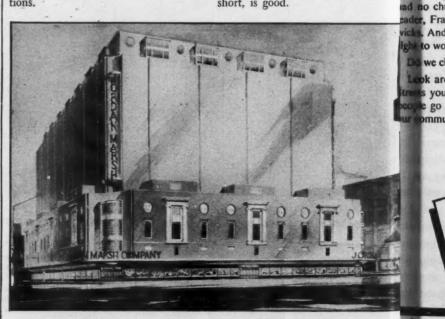
vay, witho

ind And

hun h. It

Reynolds Metals Co. is testing use aluminum foil for milk container bread wrappers, and packaging meats.

Goodyear and Firestone are be heavily promoting their postwar p mium passenger tires that use ny cord in whole or in part in the casin While retail price cutting is aga plaguing the standard passenger car them coura market (BW-Mar.15'47,p68), the ma Tounton, ket for premium tires, which are sto find relig short, is good.



Jordan-Marsh's dream: "The largest department store in the world."



## WHAT DO YOU SEE IN YOUR CHURCH?

torTLE GIRL was once asked what she thought her church tood for. "Church," she replied, "is the place people go when her want to talk with God."

We like that definition.

When the Pilgrim Fathers first landed at Plymouth, they men they had found a country where they could "talk with God"—where they were free to worship Him in their own way, without fear of the kind of oppression they had left beind. And so the Pilgrims built their communities around the hurch. It was the church that held them together, and gave them courage to survive almost unendurable hardships.

Trenton, too, was founded by people who had come here of find religious freedom. They were Quakers, and at first they and no church. So they met in the home of their spiritual eader, Francis Davenport, at what is now known as Crosswick. And their first prayer was one of thanksgiving for the light to worship God in peace and in their own fashion.

we cherish these same values today?

trock around you. Within half a mile of State and Broad trocks you will find sixteen churches—sixteen places where you go to seek Divine guidance within the very heart of ur community.

Altogether, there are one-hundred and eleven churches in Trenton, more than in most cities of this size. But here is the really significant thing—these churches represent not one but about twenty different creeds and religions!

There's democracy for you. We don't put people in jail because they don't believe as we do. The government cannot tell us which church we shall belong to.

When people in other lands forfeit the right to choose their own church—or even to have a church—we are inclined to shake our heads sadly and say, "It can't happen in America, not here. The spirit of free worship is too deeply rooted in this country."

But let's not fool ourselves. Religious freedom is the first casualty of communism, or fascism, or any other system which attempts to make a god of the State.

It is for us to decide whether we shall preserve this freedom as our sacred trust, and keep it forever alive in the hearts of men.

> JOHN A. ROEBLING'S SONS COMPANY Trenton 2, New Jersey



This message was published in the hope that it may play a small part in preserving the American way of life. It is one of a series of full-page advertisements appearing currently in Trenton newspapers, over the Roebling signature.

All of these messages are available for publication in your community, over your signature. Write today for the complete set of reprints.

wissturers of Wire Rope and Strand • Fittings • Slings • Aircord, Aircord Terminals and Air Controls • Suspension Bridges and Cables • Aerial Wire Rope Systems

Wire and Cable • Hard, Annealed or Tempered High and Low Carbon Fine and Specialty Wire, Flat Wire, Cold Rolled Strip and Cold Rolled Spring Steel

Ski Lifts • Screen, Hardware and Industrial Wire Cloth • Lawn Mowers

## OUR TEACHERS -

## They Need The Help Of Business Now

This is an appeal to raise school teachers salaries fast. Such appeals are commonly addressed, rather vaguely, to the conscience of the community. This one is not. It is addressed directly to the business community, and to its hard core of common sense.

As a whole, the school teachers of the nation are taking an economic beating. So, too, are their close associates and co-workers, the librarians. In purchasing power, public school teachers salaries, after taxes, average about 20 percent less than they did eight years ago. Beginning salaries of librarians, always low, have fallen behind an equal amount in purchasing power. College and university teachers are not much better off. The pressure is particularly heavy on those in the lower ranks. As a group, teachers and librarians are close to the bottom of the economic heap.

Unless this situation is remedied promptly, it is confidently to be expected that:

- 1. The more competent teachers will continue to desert our schools in droves, and our libraries will remain inadequately staffed. More than 350,000 teachers - many of them the very able ones - have left the public school teaching staff of about 900,000 in the last six years. More than 100,000 of the replacements are "sub-standard." They cannot meet the minimum educational requirements of their jobs which, by admission of the profession itself, are none too high.
- 2. Those who remain will be organized increasingly into economic pressure groups. Teachers strikes and the rapid growth of unionism among teachers at present clearly indicate what

Many business men are so deeply disturbed by the resort to the strike weapon by some teachers to enforce their salary demands that their sympathy for the general plight of our teachers tends to be dulled. Such

an attitude is understandable. It avails nothing, ever, in eliminating the crisis in education causing. largely by teachers salary troubles.

The crisis in education is a crisis for the nation these a a whole. The work of our schools, colleges and absolu braries is such that its deterioration means deterais is to tion of the nation. However, the salary crisis in ed Bernuse tion is in special measure a crisis for the busins affect community. That community has a special stake mile having a well-educated and well-disposed constitutom state

#### Education and Unionism

There may be room for disagreement as to wheres. Oth teachers should organize themselves in trade unite taxes. and follow trade union tactics. However, there ied to m conceivable room for disagreement as to when such organization of teachers into a fighting econd pressure group under the lash of a teachers crisis would be a body blow to business. Among raut as teachers it would foster an abiding hostility to the 1 institution of business which, occupying a key 1 not ha tion in the life of the community, had not donum teach

utmost to make such unionization unnecessary librar

taking a lead in relieving the teachers salary count ne

In our work of publishing technical periodicals about 5 text books, we at McGraw-Hill meet and commany co know many teachers and librarians. We know the prov as a group, they have little appetite for participather sug in militant economic pressure groups. They are pluti more interested in making a militant assault on ight their ance and prejudice through concentration on sed cos professional work. If, through neglect of their a phole omic needs by the business community, they nomic forced to resort to trade union organization average tactics, the teachers and librarians can be exper taxes, to have an abiding resentment toward the institute by a of business. That resentment will, in turn, be

unicate on, Suc The cr matter o play milly ( nall tow hool te

embers per d mble to

ucation

r pupil ance th municated in no small measure to the coming generation. Such is the nature of the educational process. The crisis in education is not, of course, exclusively matter of salaries. Unsatisfactory working conditions so play a part. Many schools are dilapidated and milly overcrowded. So are some libraries. Some nall-town school boards oppressively insist that the hool teachers be the paragons of piety the board embers wish they were themselves. Protection of a convert degree of academic freedom is sometimes. The teacher is rarely accorded a prestige commile to the importance of the job. Elements such that these aggravate the crisis in education. But the first and absolutely essential step toward surmounting the tensis is to provide tolerable salaries.

diversity of local condiusins affecting teachers and librarians salaries, no genday rule for emergency action would fit all cases.
The constate to state, average yearly expenditures on
ucation in 1940 varied all the way from about \$30
r pupil to about \$150. Some states, like Nebraska,
ance their schools almost exclusively from local
these. Others, like Delaware, rely almost entirely on
the taxes. Some states and communities have already
and the taxes are the salary crisis. Others have not. Variathers such as these limit any generalization.

#### Guide for Emergency Action

That as a general proposition it can be safely said to the minimum requirements of the emergency of not have been met so long as the salaries of class on teachers and junior members of college faculties and library staffs have not been increased by the count necessary to keep them abreast of the increase also bout 50 percent in the cost of living since 1939. The prove the best way to handle the problem.

The prove the best way to handle the problem.

The prove the best way to handle the problem.

The prove the best way to handle the problem.

ight their salaries increased enough to meet the inight tasks cost of living, the teaching and library groups of whole would still have cause to envy the current by nomic position of industrial workers. Since 1939, in average of weekly earnings of industrial workers per taxes, has outstripped the rise in the cost of iting by about 21 percent. However, a start and an absolutely essential start would be made toward giving America the sort of educational system it must have not only to fulfill its ideals but hold its own in this highly competitive world. We worry, and I think rightly, about having the free world engulfed by Russian Communism. According to the best figures available, the U.S.S.R. is spending about twice as large a share of its total national income for education as we are. The figures compared include our expenditures for both public and private education. That comparison is really something to worry about.

#### States Should Take Lead

In dealing with the salary crisis it is up to the teachers to display a maturity and integrity worthy of their profession. Teachers have many employment advantages, such as long vacations. They should not slur them over in making comparisons of their annual incomes. Also employment in teaching and libraries has been notably stable. Teachers and librarians should not ignore that fact in comparing their position with those whose employment has been far less steady.

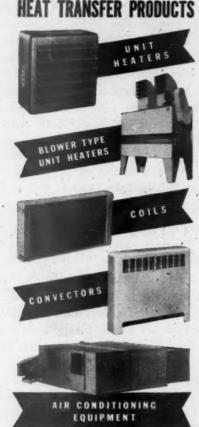
At the same time, the great fiscal difficulties involved in solving the crisis in teachers and librarians salaries must not be used as an excuse for postponing effective action. The states are better equipped financially and otherwise to take such action than is the federal government and, with the localities directly involved, should take the lead. If the price of effective action is a heavier tax burden for communities already too heavily burdened that price must be paid. The crisis presents a major emergency. To handle it as anything less is to court irreparable damage to the nation as a whole, and a special measure of damage to business as well. The intelligent self-interest of business requires that it leave nothing undone to meet and master the crisis in education.

Show H. W. haw. fr.

President McGraw-Hill Publishing Company, Inc.

#### FOR YOUR 1947 NEEDS STANDARDIZE ON

## OUNG



To get the utmost of efficiency in heating, cooling and air conditioning equipment specify Young, for embodied in each product is a quarter-century of specialization in the heat transfer field. Mail the coupon for free brochure. Young Radlater Co., 705 Marquette St., Racine, Wis. Sales and Engineering Offices in All Principal Cities

OIL COOLERS GAS, GASOLINE, DIESEL ENGINE COOLING RADIATORS . HEAT EXCHAIGERS . INTERCOOLERS HEATING COILS COOLING COILS EVAPORATIVE COOLERS . CONVECTORS CONDENSERS . AIR CONDITIONING UNITS EVAPORATORS . FINGINE JACKET WATER COOLERS AND A COMPLETE LINE OF AIRCRAFT HEAT TRANSFER EQUIPMENT

YOUNG RADIATOR 705 Marquette St. Racine, Wisconsin	co.
Send me a free copy of your catalog.	
Name	
Address	
CityZo	neState

## FINANCE (THE MARKETS-PAGE 118)

## Pioneering Proves Profitable

Book-of-the-Month Club, which started in 1926 with 4 subscribers, has revolutionized book merchandising. Recent put offering brought \$3,600,000 for one-third of the company's sta

From now on, members of the bookpublishing business are going to have to forego one of their favorite rainy-day pastimes-trying to figure out the take of ex-adman Harry Scherman's highly successful personal venture, the Book-of-the-Month Club, Inc. All of the current right answers are now available to anyone who's interested. And any future fiscal details can always be picked up by consulting the financial pages of the daily newspapers.

For the Club is no longer a 923%owned Scherman family enterprise, with no obligation to discuss the state of its health with "outsiders." The Scher-mans have added it to the ever-lengthening list of privately owned companies that have decided to invite the public in as stockholders (BW-Aug.17'46,

. Why?-Their reasons are the same ones that have moved so many other private owners to take the same step: to build a cash reserve in anticipation of eventual large inheritance taxes, and thus avoid forced liquidation at an inauspicious time; to establish a going market for the company's shares; to realize some of the appreciation in value of the enterprise as a long-term capital gain, subject to a maximum tax of 25%.

And the Scherman family still retains firm control of the Club. Of the 900,000 shares of \$1.25-par capital stock now outstanding, only 300,000 were sold to the public. The 59-year-old president and founder himself still holds 265,500, or 29.5%. His wife, son, and daughter each own 99,000, or 11% apiece-making a family total of 62.5%. Thus the family still has a mighty attractive \$6,750,000 nest egg in the business-based on the public offering price of \$12 a share.

• Stock Split-At this time last year, there were just 400 shares of stock outstanding. The first thing that was done when the Schermans decided to let the public in was to split this stock 2,000 for 1. Of the resulting 800,000 shares, 200,000 were offered publicly. And another 100,000 newly created shares were also offered in order to provide the Club with an additional amount of working capital.

The public sale was accomplished

under the guidance of important 190,0 Street investment banking inter headed by Eastman, Dillon & Co. transaction, after commissions, a approximately \$2,200,000 to the St man family bankroll; over \$1,100 to the company's working capital While it

Competition—Today, close to ally for other book clubs compete with STON man's enterprise. Only a few, ever, confine their activity, like Fround" 1 of-the-Month, to new books of ge interest, including both fiction and fiction. The majority specialize in 929 the classics, mystery stories, science nomics, or reprints. And no two operation on exactly the same basis, althow fundamentally all are similar.

Uı

las

in Bi

club

Co

five

rer nce 00

ebea

Bool on. It

h. T

clu

Book c

Germa

erm

prints)

mari

min wh

tha

W esig

f hi

wer

g as

er 1

dim

sell ed s

k-N

are

entally v

that

da

ven tion

S

No accurate statistics covering the fe over-all operations of this ground business available since to date only B.O. Tontibut has felt the need to discuss suchook district tails publicly.

 Estimates—However, the clubs a latticular lieved to have a combined member has a today of close to 4,000,000. In milding. today of close to 4,000,000. In they are estimated to have distrilar bookin paid copies, dividends, and both at least 75,000,000 volumes or a batteric at least 75,000,000 volumes, or a b



Harry Scherman, bookman: people know why he smiles.

76

er than one book for every two people in the United States.

Scherman organization, which distributed some 11,413,000 last year, is one of the real pionetria in the field. It was founded in 926. But it isn't the nation's oldest year, Co.'s Literary Guild of America lold both those titles. The Guild is five years older. And it probably as over 1,000,000 members; the Club magniced in its prospectus that it had 90,000 on Jan. 31, 1947.

the Forebears—Book clubs aren't a recent overtion. Early this century there was alle Booklovers' Library of Seymour Staton. It provided subscribers with the letted in books for \$5 and \$10 a year. While it was destined to fold up eventually for a time it enjoyed a spectacular sook clubs conducted on a "pass-it-ground" basis by the individual buyers.

Book clubs also started springing up a Germany in the early 1920's. By 1929 they could boast of some 2,500,-00 members, and their general plan of peration was quite similar to that used low by the domestic clubs.

Scherman, however, is conceded to since the father of the American bookbusiness as it exists today. His round business as it exists t

miums—Scherman's initial experiin the mass distribution of books when he was in the advertising ess in the early twenties.

that time, knowing the lure of niums," he persuaded Philadel-Whitman Candy Co. to offer each box of their product Scherlesigned miniature-size copies of assics. And the instantaneous sucf his Little Leather Library "give-" soon made him wonder if Amerwere actually as allergic to bocking as publishers and book dealers e day appeared to think.

a result, he started to test the et further by selling the Little her books (Romeo and Juliet, acong to legend, was the first title) dime each through Woolworth's other chains. They soon became sellers"; before long he had distance to million through these

Bok-Minded—The success of his centure thoroughly convinced Schernan that Americans in general were poentially very book-minded. And he be-

## **BOTTLENECKS** are our meat!

It may be a part—or a complete sub-assembly. A matter of insufficient equipment and floor space, or insufficient trained labor. But if it constitutes a bottleneck in your production, maybe we've got the answer.

#### Ever hear of a "portable assembly line"?

We've got the most flexible type of operation you can think of. For more than fifty years we've been making things for the other fellow.

Teaming up, fitting our facilities to his needs, integrating our production and deliveries with his assembly lines has called for extreme flexibility . . . even ingenuity.

With many products going thru at the same time, we know what it is to tool up in a hurry (we average a new product to get into production every 7 days). In many cases, we've suggested changes in materials, methods or design that have cut the costs and sped up deliveries.

#### It costs you nothing to find out!

We take over the responsibility for complete assemblies or sub-assemblies. We cannot make everything, of course. But we can quickly tell you whether we can pinch hit for you. All you've got to do is name the problem and give us a look at it.

May we take a look at your "bottleneck"?

Write on your business stationery for our illustrated brochure describing the Lewyt organization. Lewyt Corporation, Contract Manufacturing Division, 66 Broadway, Brooklyn 11, N. Y.



FOR MORE THAN HALF A CENTURY A CONTRACT MANUFACTURER, EXPERTLY STAFFED TO PRODUCE COMPLETE ELECTRONIC AND MECHANICAL ASSEMBLIES, COMPONENT PARTS, SUB-ASSEMBLIES AND METAL PRODUCTS, TO THE MOST EXACTING REQUIREMENTS This is under no circumstances to be construed as an offering of these Shares for sale, or as an offer to buy, or as a solicitation of an offer to buy, any of such Shares. The offer is made only by means of the Offering Prospectus.

#### 50,000 Shares

## Corning Glass Works

Cumulative Preferred Stock, 31/2% Series of 1947 (Par Value \$100 per Share)

#### Price \$102.50 Per Share

Copies of the Offering Prospectus may be obtained from only such of the undersigned as may legally offer these Shares in compliance with the securities laws of the respective States.

Harriman Ripley & Co.

Lazard Frères & Co.

Blyth & Co., Inc. The First Boston Corporation Goldman, Sachs & Co.

Kidder, Peabody & Co.

Smith, Barney & Co.

Dominick & Dominick Estabrook & Co. Tucker, Anthony & Co.

March 27, 1947.

#### MEN + OIL = VICTORY

Now-an absorbing, dramatic account of the tremendous part petroleum played in winning World War II

HERE is an engrossing, vivid account of the tremendous part petroleum played in winning World War II. It is essentially a story of people, of those ingenious, unsung people who pushed pipelines across half a continent, who probed the earth of Texas and Oklahoma, who nent, who proped the earth of Texas and Okianoma, who herded tankers through dangerous water, who wrought miracles out of molecules at laboratory benches, and who performed many other jobs vital to the war effort. The story is absorbing and entertaining. It includes over 200 excellent photographs, drawings and charts.

JUST PUBLISHED

#### OIL FOR VICTORY

THE STORY OF PETROLEUM IN WAR AND PEACE

By the Editors of Look Magazine

287 pages, 65% x 95%, 234 illustrations, \$3.50

This amazing story of oil typifies industry's service in war and the contribution all industry made in winning victory and looks forward to making in maintaining peace. It tells of the men who fought the battle of priorities, so that they might convert blueprints into tankers, refineries, pipelines and innumerable other facilities of war. It tells how the government-industry team supplied our armed forces with scores of petroleum products essential to war and to victory, in sufficient quantity, and on time. It is a story of human courage, daring, heartbreaking work and of infinite patience.



"Oil for Victory retells the story of the war oil - expertly, succintly and most readably."

Waiertown Daily Times

"An oustanding saga of the part a single industry played in the Second World War. Oil for Victory is fast, good reading. Los Angeles Herald Express

SEE IT TO DATE TREE MOII COMPON
********************************
McGraw-Hill Book Co., 330 W. 42nd St., N. Y. 18
Send me Look Editors' OIL FOR VICTORY for 1 days' examination on approval. In 10 days I will sen \$3.50, plus few cents postage, or return book postpaid (Postage paid on cash orders. Same return privilege.
Name
Address
City and State
Company
Position  For Canadian price write Embassy Book Co., 12 Richmond Street E., Toronto 1

lieved that they would welcome read the output of contemporary and just as much as the classics. As he the picture, it was the distribut methods then in vogue, not buying sistance, that had been holding book sales. So he went to work to vise a book-selling setup of his that would cure this fault.

The factor retarding the output

publishers, as he saw it, was the plete lack of book shops in thous of towns and villages, and their scan in many small cities. But this lem could be solved, Scherman figure by an intelligent nationwide adve ing program and mail solicitation.

• Models—Scherman had heard of many's mail-order book clubs. So started to study their general make But there were phases of their open he didn't like. For one thing, they all publisher-owned. Also, they spe ized in low-price reprints of the class a factor limiting their "repeat" busin He finally decided that his book

(1) would have no publisher affiliati (2) would sell only new books; and would require its members to be book every month. However, no of-the-mill diet of reading would forced on subscribers. The books would be required to buy would re sent the cream of publishers' lists, lected by a jury of top-notch lite

Chic visito

Festiv

vatory one roo

OMMO

Publishers liked the idea when it presented to them. A distinguis board of judges was soon on the And April, 1926, saw their first ch (Lolly Willowes, penned by S. T. ner, a relatively unknown Britis mailed out to 4,750 subscribers. • The Record-What has occ

saga of the book-selling business. Here's the record chalked up B.O.T.M.C. in the 1926-46 (despite the debilitating effects in of those years of the worst depres and war the country has ever enced): sales, over \$112,000,000; ings, over \$9,400,000; dividend

since comprises a memorable final

bursements, over \$6,658,000. • Hurdles-However, it hasn't all been clear sailing. Scherman di ered early, for example, that subsc taste was far too varied for the ju to pick out twelve books a year all club members would want to And he learned, too, that the distribution he was aiming at coul be achieved if he insisted that a d books be purchased annually.

For years, as a result, subscribave been required to buy four a year. Also, if a member doesn't the book-of-the-month picked ou the judges, he can pick another from the "recommended list" in Book-of-the-Month News, or select printed by any publisher. (It's no

## Chicago and Northern Illinois... Rich in Educational and Cultural Advantages

When the last embers of the great fire of 1871 had died out, Chicago was a prostrate community with little remaining but a firm faith in its future.

In the lifetime that has passed since that day, the faith of its indomitable builders has been amply fulfilled.

For, not only has Chicago grown industrially great but also it has become rich in the things that give character and permanence to a metropolitan center its educational, humanitarian, and cultural advantages.

Throughout Chicago and Northern Illinois are uni-

versities, colleges, technological and scientific institutions, splendid schools, great libraries, distinguished museums, churches and theological schools, great hospitals, centers of basic research, all ranking among the finest in the world.

Cultural and educational wealth is only part of this area's many advantages. Industries seeking locations can secure confidential and detailed studies concerning Chicago and Northern Illinois from our Territorial Information Department. Some of these opportunities are indicated below.



om of Natural Hisin Chicago. One in visitors yearly.



Museum of Science and Industry. Foremost of its kind in the world.



Shedd Aquarium. Amarble home for 10,000 varieties of fish.



Adler Planetarium. First in U. S., reproducing panorama of the stars.



Chicago Historical Society. History dramatized in the many exhibits.



Chicago Academy of Sciences in beautiful Lincoln Park.



to ia Festival. Syme ic music all summer or the stars.



Important libraries in region contain more than 10 million volumes.



Chicago Symphony, founded in 1891, the best traditions in music.



Grand Opera's home in Chicago, the 42 story Civic Opera Building.



Starved Rock, one of 16 state parks preserving historic natural sites.



Great Medical Schools and hospitals make area a top research center.



artield Park Flower pervatory, largest



Brookfield Zoo. Animals in surroundings simulating natural habitats.



Beautiful churches give religious Inspiration to all creeds.



Blackhawk Statue, Rock River. Important works by famous sculptors.



Sunday Evening Clubs typify hundreds of lectures and discussions.



87 universities, colleges, technical schools provide unrivalled apportunities.



ogical schools here



The Skyscraper, U. S. contribution to architecture, originated here.



Motion pictures and theatrical performances attract millions yearly.



Appreciation of dramatic arts aided by specialized schools.



Chicago school of writers has influenced American literature.



Art Institute with world's largest school and one of finest collections.



Industries Secuting in this area have these outstanding advantages: Railroad Center of the United States • World Airport • Infand Waterways • Geographical Center of U. S. Population • Great Financial Center • The "Great Central Market" • Food Producing and Processing Center • Leader in Iron and Steel Manufacturing • Good Labor Relations Record • 2,500,000 Kilowatts of Power • Tremendous Coal Reserves • Good Government • Good Living • Good Service for Tax Dollars • Send for free beoklets containing useful

This is one of a series of advertisements on the industrial, agricultural and residential advantages of Chicago and Northern Illinois. For more information, communicate with the

#### TERRITORIAL INFORMATION DEPARTMENT

Marquette Building-140 South Dearborn Street, Chicago 3, Illinois-Phone RANdolph 1617

COMMONWEALTH EDISON COMPANY . PUBLIC SERVICE COMPANY OF NORTHERN ILLINOIS WESTERN UNITED GAS AND ELECTRIC COMPANY . ILLINOIS NORTHERN UTILITIES COMPANY





See Our Advertisement in The Saturday Evening Post April 5th issue. for YOUR Factory, YOUR Construction Work, YOUR Basement Shop, and YOUR Farm

Conveniently sized ... easy to handle ... popularly priced ... the Model 60 MallSaw is the all-around tool for cross-cutting or ripping rough or dressed lumber up to 2 inches thick, cutting metal, grooving mortar joints, or cutting and scoring tile, limestone, concrete and other aggregate compositions. Comes complete with combination cross-cut and rip blade — ready to plug into any regular electrical outlet.

Write for Complete Catalog

MALL TOOL COMPANY

7768 South Chicago Ave., Chicago 19, III.

R.C.Allen
Business
Machines

CASH DICISTER
Capacity up to \$10,000.00

7 department large entered described protected and the second sec

R.C.Allen Business Machines, Inc.

GRAND RAPIDS 4, MICHIGAN

ADDING MACHINES . CALCULATORS . BOOKKEEPING MACHINES . CASH REGISTERS

able, however, that the judges' sections have accounted for 90% to 95 of all the club's sales since 1940.

• Book Dividends Born—Scherma worst troubles came during the depasion. Membership quickly dropp from 111,000 at the end of 1929 70,000. Something had to be drauickly to save the ship from sinks. He didn't believe in price-cutting, a he knew, too, that if he reduced print in an attempt to halt the downtre the book shops, already up in an against the club idea, would scree even louder.

This tough problem he solved by venting the book-dividend, now sur an integral part of the book-club but ness. Since then, members have a ceived at least one free book for ext two selections purchased. This, in effect, has permitted them to share

the club's profits.

• Retailer Participation—In 1939 Schr man also took steps to eliminate the early trade antagonism toward his clar Ever since, all retail book shops have been able to sell club subscriptions a clients, and thereafter to handle the book-of-the-month purchases, bout dividends, etc. For this job the shop receive a discount on all purchases may through the club.

Club members usually pay the palisher's regular retail price, plus maing charges, for their purchases. The price is never higher, often it is let (In contrast, the Literary Guild charge a flat rate of \$2 a book.) Membersh contracts can also be canceled at a time after four books have been bought Publisher's Bonanza—When

judges select a book-of-the-month, the club normally acquires exclusive book club rights to the title for a long permitted from the printing of at least 333,333 coperand pays a royalty-rental of 30¢ percopy for use of the publisher's elective permitted printing of the publisher's elective permitted from the club edition.

Obviously, it doesn't annoy polishers and authors to find that the have produced a book-of-the-mont. That honor means an immediate \$100 000 payment, which is normally \$50-50 between writer and published Subsequent returns are also usually a most as pleasing. Sales of most 1945-selections ranged between 350,000 as 500,000 copies. And some did even but ter. Bill Mauldin's "Up Front," the July (1945) selection, set the reconsist of the sales.

• Judges Do Well-Being one of the Club's board of judges isn't too baseither. Last year, the compensation of the five judges-Henry Seidel Camb Clifton Fadiman, Dorothy Canfel Fisher, John P. Marquand, and Christopher Morley-ranged from \$22,476.53 to \$25,933.14 each.

Edga Archant into a years he

presidence

chine Co.

ong those in Oaklan ny of Mar Contracttragedy is nt's case fact that ration had re wasn't hose year rp contra cture. Jes week in l ders: the es) since ed in 19 57 a comr gent-Ma ly enough S. agency de in Fra the first w chines, the H. and A ir own on o enthus amber of a native in d for a vnship of ). Some ested in nts reward ning and cally drive

B. Jessup

### alculated Gain

Edgar Jessup has turned rchant Calculating Machine into a money-maker in the years he has been at its helm.

week after Edgar B. Jessup accepted presidency of Marchant Calculating chine Co. in 1933, the bank holiclosed every bank in the country. ong those that failed to reopen was in Oakland, Calif., that held every ny of Marchant's working capital. Contract—That was a staggering blow.

tragedy is a relative thing. In Marnt's case the blow was softened by fact that several years of red-ink ration had drained the bank account.

ere wasn't much to lose.

Those years of retrogression are in rp contrast to present Marchant acture. Jessup added the capstone week in his annual report to stockders: the highest net income (after es) since the corporation was charted in 1913–\$1,716,000, equal to 57 a common share.

Igent-Marchant started out in a ely enough fashion in 1910, as the S. agency for a calculating machine de in France. When the approach the first war slowed their supply of chines, the two Marchant brothers— H. and A. H.—built a machine of ir own on the same lines.

So enthusiastic was the Oakland amber of Commerce over prospects a native industry that it gave them d for a plant in the neighboring wiship of Emeryville (the present e). Some members of the chamber ested in the enterprise. The Marints rewarded this confidence by dening and building a pioneer electedly driven calculator, exhibited at



B. Jessup: His calculating pays off. I

# 3 Ways to Profit with NEOPRENE

The Rubber made by Du Pont



### DEVELOP A SUCCESSFUL NEW PRODUCT

**Example:** This manufacturer is making sport shoes with neoprene crepe soles that keep that new look much longer... thanks to a new odorless neoprene. Neoprene withstands heat, sunlight, oils and grease—the soles don't soften, spread, or grow sticky.

By combining skill and imagination with neoprene, manufacturers are developing many new products for home and industry.



### SEND FOR YOUR FREE COPY OF THE NEOPRENE NOTEBOOK

Write for your free subscription to The Neoprene Notebook. Packed with information about new or unusual applications of neoprene—which may give you valuable new ideas. Back issues on request. Rubber Chemicals Division X-4, E. I. du Pont de Nemours & Co. (Inc.), Wilmington 98, Delaware.

### HERE'S WHY DU PONT NEOPRENE DOES SO MANY JOBS SO WELL!

- \* High tensile strength, resilience, low permanent distortion.
- \* Tough, durable, resists abrasion and cutting.
- \* Superior resistance to sunlight, aging, ezone, heat.
- \* Resistance to deterioration by oils, solvents, chemicals, acids.
- \* Superior air-retention, low permeability to gases and fluids.
- \* Special compositions are flame-retarding, static-conducting, flexible at low temperatures.



### 2 IMPROVE A PRODUCT TO WIDEN A MARKET

**Example:** Here's a flexible grinding and polishing wheel that does more types of work . . . with better results. Neoprene is used as a binder for the abrasive because it holds grit securely to maintain a uniform polishing surface, does not harden in storage, resists oils, emulsions, soda solutions.

Alert manufacturers have widened markets, made them more diversified — and therefore more stable — by using neoprene in their products.



### REDUCE MAINTENANCE COSTS

Example: Filling station operators find it economical to use a curb pump hose made with a tube and jacket of Du Pont neoprene. For neoprene resists abrasion, gasoline, and weather . . . which means a longer life for the hose. In actual tests, this hose lasted 3 to 4 times as long as metal-lined rubber hose previously used!

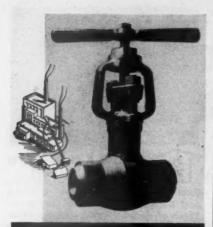
Neoprene products deliver longer life per dollar—save in replacement costs, maintenance, labor and shutdown time. For lower maintenance costs... specify neoprene in your industrial rubber goods.

### **NEOPRENE**

The Rubber made by Du Pont



BETTER THINGS FOR BETTER LIVING



### Forever!

When you install a Hancock 1500# WELDVALVE, that job is done for life—and longer. The seats and discs are as permanent in service as a coin from the U. S. Mint.

The design and construction make incredible savings of weight and space compared with any other valves for the purpose. And Hancock quality is built into them!

Here is proof of the effectiveness of these valves. Of the country's total valves for 1500# and 2500# piping of two inches or less, more than 80% are WELD-VALVES. Just two body sizes —34" and 1½"—are needed for all pipe sizes up to two inches.

Write to us for a circular fully describing Hancock 1500# and 2500# WELDVALVES. If you are planning any installation involving valves, send us the details and we will gladly give you the benefit of our long experience with all kinds of valves.

Stocked and sold by leading Distributors everywhere. Write to them or to us for full information,



MANNING, MAXWELL & MOORE, INC. BRIDGEPORT 2, CONNECTICUT

11, a job thancock valves, Asharath Galger Carts, dath i shifety and Relief Valves and "American Industrial Info;" ments Builders of Shaw Box Cranes, Budgit and Load lifter Hoists the San Francisco World's Fair in 1915.

• Speculation—But through the years, production and sales somehow failed to keep pace with or justify the lively transactions that went on in Marchant stock, and the sharp fluctuations in its market value. Eventually the principal owners installed new management, but even that device failed to focus the kind of attention that was needed on production and development—just as it failed to divert speculative attention from the

For several years before Jessup was chosen by the directors, Marchant operated at a deficit. The company had never paid a dividend on common stock; it had paid only three dividends on its 7% preferred and was in arrears on seven others; it had levied seven assessments.

stock.

• Reputation—Jessup, then 38, was well known in the business-machine sales field. At 22 he had sold the first Monroe calculators on the Pacific Coast; when the Marchant directors approached him, he was Pacific division manager of what was then Underwood-Elliott-Fisher. Given a free hand at Marchant, he concentrated on production, sales, and development.

By taking all the salesmen off the payroll and sweetening their commissions, he dammed one heavy drain on finances and at the same time boosted sales. Of the 40 models then in the Marchant catalog, he eliminated all but two, thereby cutting production costs.

Finally, he stepped up develope of the "creep-and-crawl" type in anism, the foundation of March present Silent-Speed machine.

• Results—In 1936 Marchant beganing common dividends and it missed a year since—a total of messed and paid the accumulated dividend total outlay of \$258,000.

Since Jan. 1, 1936, Marchant accumulated an earned surplus of 572,890. And that figure probably cludes every penny of the sum that frozen in the bank shortly after Je became president and general mana For the bank paid its depositors in —and in addition distributed \$415, among its stockholders—from divide and sales of Marchant stock which been held as collateral for loans.

Marchant's sales volume is not ported. But its magnitude may be mated from the \$9,600,000 the pany reported as gross profit from a service, and rentals in 1946.

• Competition—Its competitors in field of rotary calculators (as disguished from key-drive machines) Friden and Monroe. In the absence public reports from these two privates owned companies, it is assumed in trade that Marchant leads in sales, a Friden second and Monroe third. Moroe, however, also makes other to of business machines, probably leads other two in total sales volume.

He nisphe

more

ne agg

y, as rine," i

nations ically

22'47,1

this b

aware

iction

World

nce oil e instr

acy, th

geologi

econor

split m deman

nter o

y, of

oil fiel

ing its

DeGo

"The

shiftir bbean

and is

y estab

nis mea

no lo

pe's pe l, the

NESS W



### MONEY HERE FOR SERVICE OVER THERE

Acting for a 212-member syndicate, E. Fleetwood Dunstan (left) of New York's Bankers Trust Co. hands a \$200 million check to D. Hale Brake Michigan treasurer, in a deal to spark the state's bonus-for-veterans program (BW—Mar.l'47,p60). J. Dean Stanley, consultant for Michigan's Municipal Finance Commission, looked on as the largest state or municipal bond financing deal ever underwritten was wound up. Dunstan's talents are soon to be displayed on a broader stage; he's to be Director of Marketing in the International Bank for Reconstruction & Development

BUSINESS WEEK . Apr. 5,



### Two Worlds for Oil

Europe's growing needs will be filled in future by Eastern Hemisphere's wells—chiefly in Middle East. The U. S. may have to more and more on Latin American crude.

he aggressive new U.S. foreign y, as outlined in the "Truman rine," is basically a recognition that nations of the globe are divided ically into Two Worlds (BW-22'47,p15). But a long time bethis became evident, oilmen had aware of a remarkably parallel geoal fact: The patern of petroleum uction and demand is splitting into Worlds.

nce oil has always been an inflame instrument of international diacy, the political implications of geological split are unpredictable. economically, the future of what split means in production, supply, demand is already clear.

demand is already clear.

nter of Gravity—The split hinges
ly, of course, on the fabulously
oil fields of the Middle East. Exing its tremendous potentialities,
DeGolyer, noted oil geologist, has

"The center of gravity of world shifting from the Gulf of Mexicobbean area to the Persian Gulf and is likely to shift until it is yestablished in that area."

his means that the Western Hemire (the U. S., Venezuela, Colombia) no longer supply the bulk of ope's petroleum, as in the past. Ind, the job of slaking the growing thirst of industrial Europe's oil tanks will fall to the Eastern Hemisphere.

• Behind the Shift-Reason for the

change is twofold:

(1) Oil markets in both hemispheres are growing—and will continue to grow—by leaps and bounds;

(2) U.S. reserves, which were drained heavily during the war, must be conserved to meet, as nearly as possible, domestic needs.

Both factors mean that the U.S. must eventually change from a net exporter of oil to a net importer. And since all of the nation's needs can probably be met in its own hemisphere (imports will flow from Latin American fields), the physical cleavage between the two oil worlds will be well-nigh complete.

• U.S. Activity—Yet in an economic sense—as in a political sense—this nation will still be active in both worlds. Several big U.S. oil companies have major holdings in the Eastern Hemisphere—especially in the real pay-off area, the Middle East. Oilmen, foreseeing the trend, have long since laid the groundwork: They staked out claims in foreign fields and built up going marketing organizations abroad years ago. Since war's end, these activities have multiplied (box, page 88).

But the shifting petroleum pattern will have a terrific impact on oil companies' operations and planning. So they are keeping their economists busy assaying and charting the possible trends in oil production and demand over the next ten to 20 years

### I. OUTLOOK FOR DEMAND

At the end of World War I, world petroleum demand was less than 525-million bbl. annually. Two-thirds of this total was U. S. demand. In the years between the two World Wars, American consumption of petroleum grew so much more rapidly than in the rest of the world that the 1918 relationship was nearly maintained. Thus, in 1937, when total world consumption had soared to more than 2 billion bbl. a year, the U. S. proportion was still 56%.

• The Recovery—The foreign market, wrecked by World War II, has not yet recovered. But in the U.S. the lifting of wartime restrictions was like uncapping a gusher. Civilian consumption all but took up the slack resulting from the tremendous military cutback. To the amazement of all the experts, the 1946 demand, instead of dropping an anticipated 140 million bbl., dipped only 27 million bbl. U.S. demand last year was thus back to nearly 60% of world demand.

From now on, however, petroleum demand abroad is expected to expand more rapidly than here, but it still will not outstrip the U. S. By 1965, according to one forecast, world requirements will jump to 4,122,200,000 bbl. from 2,973,285,000 bbl. in 1946. That is a

### The U. S.: From Exporter to Importer of Oil?

Estimates as to when the U. S. will import more oil than it exports vary from "never" to "next year." Most economists agree, however, that the time will come—and soon. And they look to Latin America as the source for our imports of supplemental oil.

One major oil company's economists look for this transition to take place about 1948 or 1949. Their forecast is based on the following assumptions:

(1) The U. S. domestic production will be maintained at about 1,606,000,000 bbl. a year. (Others maintain that this rate is low, that

it should be closer to 1,715,500,000 bbl. a year.)

(2) That improved refining techniques, plus manufacture of synthetic fuels from gas, will give us increased yields of gasoline and kerosene. But this, in turn, will reduce fuel oil yields; so we will have to import heavy fuel oils and heavy, fuel oil-producing crudes from foreign sources.

(3) That sufficient refining capacity will be built in foreign areas to meet foreign demand for petroleum products.

Here is their estimate (figures in thousands of bbl. annually):

	Exports	Imports	Net l	Flow
	from U.S.	to U.S.	from U.S.	to U.S.
1937	171,148	57,122	114,026	
1938	191,917	54,239	137,678	
1939	. 189,946	65,517	124,429	
1947 (est.)	150,380	109,500	40,880	
1948	140,525	127,750	12,775	
1949	131,765	146,000		14,235
1950	123,370	164,250	-	40,880
1956	73,000	215,350		142,350
1960	54,750	266,450		211,700
1965	36,500	321,200		284,700

rise of about 1,150,000,000 bbl. Of this increase, the U.S. share may approximate as much as 395 million bbl., the foreign share 775 million bbl. Result: U.S. petroleum demand will still be 51% of the world total.

 Fuel Oil Leads-All classes of petroleum products are expected to participate. In foreign markets, at least, demand for the various fuel oils is likely to rise more rapidly than for white products (gasoline and kerosene) or for lubricating oils. The main reason:

(1) The foreign coal industry maybe unable to rehabilitate war-ravaged facilities sufficiently within the next five years to regain its prewar position.

(2) Obsolete coal-burning marine and

inland equipment may be replaced more efficient oil-burning equipment

(3) Oil for domestic heating will give coal keen competition in areas in contiguous to coal-producing center and, on the basis of present price treat possibly in the coal producing any themselves.

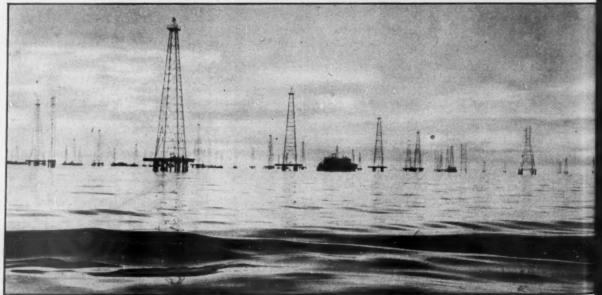
(4) U.S. output of heavy fuel a will decline as an increasing proport of crude is converted to higher properties of crude is converted to higher properties. Consequently, there will greater reliance on foreign producers heavy oils. (One advantage: Fore crudes are generally heavier than U. and they yield a higher proportion heavy oils.)

(5) With large merchant fleets pected to remain in operation, dema for bunker fuel will grow.

• Calculations—Russia and its satelled on the figure extensively in the oil dustry's calculations. For one thing, tistics are too sketchy; for another, Russian sphere is expected to be mor less self-contained.

Elsewhere, the 1939-1965 growth civilian demand abroad is calculated look something like this:

- Motor fuel—from 218,170,000 bbl 439,730,000 bbl.;
- Kerosene–from 50,147,000 bbl. 93,355,000 bbl.;
- Fuel oil—from 327,921,000 bbl. 709,045,000 bbl.
- Total rise in industry consumpt (products named plus lubricants, phalt, and others): 694,995,000 bbl 1939, an estimated 1,423,983,000 b in 1965.
- Biggest Markets—Sometime between 1950 and 1956, Europe will regain ground lost during the war. By lits total market demand is expert to reach 474,071,000 bbl. annual



Latin American oil is vital to U. S. needs. Beneath Venezuela's Lake Maracaibo lies one important pool.

that no of the tion madio

# of the "mother". This is the "mother" of an electrical transcrip-tion manufactured by Columbia Records for exclusive use by

### Columbia Recording Corporation keeps its Payroll Records on Nationals!



View of National Payroll Machine at Columbia Recording Corporation, Bridgeport, Connecticut.

Preparing payroll records and writing the checks for some 1,400 employees each week is no small accounting task. But the National Payroll Machine makes short work of just such accounting problems -producing at one location Columbia's whole weekly payroll quickly and efficiently.

National Payroll Machines prepare for Columbia, at one operation, the employee's statement of earnings and deductions, employee's earnings record, and payroll summary record. All entries are clear, legible, and easily understood. And all are proved correct at the time of writing-thus obviating

discrepancies due to human error.

In businesses of every size and type, National Payroll Systems are meeting the varied demands of individual plant practices, methods, and deductions. By setting up pre-determined totals, balancing procedure is simplified. All records are made at the same time, all are originals, all are exactly the same. Let your local National representative study your needs, and then make recommendations without cost or obligation to you. The National Cash Register Company, Dayton 9, Ohio. Offices in principal cities.



Making business easier for the American businessman



MONTGOMERY

HYDRAULIC

ELEVATORS

### FOR PASSENGER OR FREIGHT SERVICE

Lifting problems are simplified by Montgomery Hydraulic Elevators. These elevators are designed and built to meet elevator service requirements where travel is limited to 36 feet. Improved design and rugged construction are the result of Montgomery's more than 50 years experience in building passenger and freight elevators.

### FEATURES

INITIAL LOW COST — Building of costly penthouse is eliminated. Load bearing walls are unnecessary.

**OPERATIONAL ECONOMY** — Hydraulic principle reduces operation expenses. Down travel by gravity.

STANDARDIZATION — Montgomery's standardization of complete installations assures better delivery, lower cost.

SERVICE — Montgomery direct factory agents and branch offices in all principal localities offer the highest in efficient, prompt service.

### QUICK Delivery!

Montgomery Elevator Company has been able to increase production facilities to a point where quick delivery can be made on Standard Model Hydraulic Elevators. Write for details!



### U.S. Companies Sink Millions in Foreign Oil

American oil companies are pouring brains, manpower, and a mint of money into foreign oil expansion. And they're covering every phase, from exploration through production and refining to distribution and marketing

• Investments—Biggest investment is in Saudi Arabia. There the Arabian American Oil Co. is preparing to spend several hundred millions. It has floated a \$102-million bank loan, guaranteed by Standard Oil Co. (N. J.) and Socony-Vacuum Oil Co., who are preparing to buy into the company (BW—Dec.21'46.p19).

Another \$125,000,000 loan will be made to Trans-Arabian Pipe Line Co. This will go for a new 30-in. petroleum pipeline from the Persian Gulf to the eastern Mediterranean. It will carry Arabian American crude closer to European markets. Standard (N. J.), Socony, and the two present owners of Arabian-American (Standard Oil of California and Texas Co.) will own the pipeline.

 New Company-Standard (N. J.) and Socony have also arranged to get additional oil from Anglo-Iranian Oil Co., Ltd. (BW-Jan.4'47,p6) So the three have formed Midd East Pipelines, Ltd., to build a 1,00 mile pipeline from Iran and Kum to the Mediterranean.

Kuwait Oil Co., Ltd., joint owned by Anglo-Iranian and Gulf () Corp., has begun a two-year progra to quadruple its crude output from Kuwait. Current output is 40,000 bit a day from nine wells. Three to for new wells will be completed month to bring production to 160,000 bit and wells.

In the marketing field, Texaco a Standard of California have extende their joint operations. California Texas Oil Co., Ltd., formerly operating in the Far East, has taken on Texaco's subsidiaries in Europe a North Africa (BW-Dec.21'46,pls)

• Search-Oil exploration in the Fast (BW-Feb.8'47,pl04) and it also december the far East (BW-Feb.8'47,pl04) and it is planned. Rehabilitation of damaged facilities in the Far East held up by unsettled conditions sing Japan's surrender, is scheduled.

Latin American developments al are slated, notably in Venezuela a

Colombia.

will thus become the greatest foreign market.

Running a close second, in the forecasters' estimation, will be the Western Hemisphere (the U.S. excluded). In the heavier fuel oils, Western Hemisphere demand will lead that of all other foreign areas (231,429,000 bbl. by 1965, vs. Europe's 101,926,000 bbl.). This hemisphere's market demand for all products is set at 467,830,000 bbl. by 1965.

Other major marketing areas and their probable 1965 demand: East and South Asia, 111,377,000 bbl.; Oceania, 81,971,000 bbl.; North Africa, 65,054,000 bbl.; South and East Africa, 28,850,000 bbl.; Near East, 27,112,000 bbl.; and West Africa, 18,088,000 bbl. • U. S. Consumption—Most reliable estimate on long-range U. S. consumption trends is that made in 1945 to the Special Senate (O'Mahoney) Committee Investigating Petroleum Resources. Compiled by a group of oil economists, it predicts that from 1939 to the period 1961-65 domestic demand will probably shoot up something like this:

Motor fuel-from 555,530,000 bbl. annually to 970,900,000 bbl. annually;
Kerosene-from 60,590,000 bbl. to

83,950,000 bbl.;

• Fuel oil-from 461,725,000 bbl. to 761,025,000 bbl.;

• Lubricants—from 23,725,000 bl 40,150,000 bbl.

### II. WORLD OIL RESERVES

The chief oil producing areas the largest known reserves are dirinto two major and two minor reg The two major regions are the Wes Hemisphere and the Middle East two minor regions are Russia and Netherlands East Indies.

• Western Resources—In the Western Hemisphere, the known reserves centered largely around the Gul Mexico and the Caribbean. Total crude oil reserves on Jan. 1, 1947, estimated by the American Petrol Institute at 20,873,560,000 bbl. Gogists place other Western Hemisphereserves at 9,359,000,000 bbl. How much these reserves can be

aı

th

T

Cons

tended by such techniques as protion of synthetic fuels from natural or coal (page 48) is a matter for specture. Oil men still believe crude will be the dominant source of pleum products for some years to concern the Middle East are officially placed about 16 billion bbl., actually are 26 billion bbl. And the Middle East are officially are still the greatest potentiality of known area in the world, still has mextremely favorable and extensive



### NO SHORTAGE OF SUITS HERE

Yes, there's no shortage of lawsuits. Dockets are crowded, these days. Worn-out equipment, war-born carelessness, strain and fatigue . . . these and many other factors increase the possibility of accident and resultant legal redress. That's why you need, more than ever, complete

coverage of Liability Insurance. Mill, factory, store, home, automobile . . . all need protection against lawsuits resulting from accidents. Make sure that such claims do not cause you crippling losses in time and money. See the U. S. F. & G. agent in your community today!

Consult your Insurance Agent or Broker

as you would your Doctor or Lawyer"

U.S.F.&G.

### UNITED STATES FIDELITY & GUARANTY CO.

HOME OFFICE: BALTIMORE 3. MD.

FIDELITY & GUARANTY INSURANCE CORP., BALTIMORE FIDELITY INSURANCE CO. OF CANADA, TORONTO



IMPORTERS OF

QUALITY COFFEES

for

AMERICAN ROASTERS

AMERICAN MERCHANDISE
EXPORTED TO
COFFEE-PRODUCING
COUNTRIES

### OTIS, MCALLISTER & CO.

World Traders Since 1892 310 Sansome St., SAN FRANCISCO 4 Canal Building, NEW ORLEANS 12

LOS ANGELES CHICAGO NEW YORK





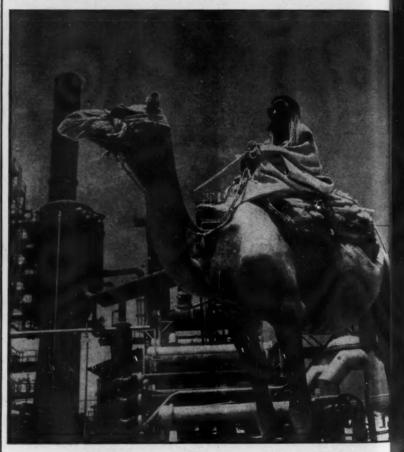
Suspended or floor type heaters for any size areas...for offices, stores, factories, warehouses, and commercial buildings. High yield heat exchanger tubes and big quiet fan distribute heat at less cost, less trouble. Investigate Reznor unit heaters.



NO BOILERS' - NO STEAM LINES NO FUEL STORAGE - NO FIRE TENDING



East and West do get together—on amenities of state and oil. In Washington President Truman bestows the Legion of Merit on Saudi Arabia's crown print Amir Saud. In Arabia, tribesman and camel study an American-built refine



logical structures which are untested. What is known about the area's oil supply is based on only a few hundred drillings.

### III. PRODUCTION OUTLOOK

A decisive point in the history of world petroleum production probably will soon be reached. Some time between now and 1950 foreign product of crude oil, for the first time in mod records, is slated to surpass foreign mands. for

ring

tota

gher

e thi

But l

r the

• Self-Sufficiency—By about 1951, the fore, experts believe that "hemisph self-sufficiency" will be reached. achieve this objective, Eastern He sphere crude output must rise mendously. In 1939, production in



rms expanding in the East can get specific formation without cost from New York's usiness Information Service

I ORE THAN one out of every four people in the United States live in New York and the five borring states. These people earn more than one third of e total national income. Their per capita income is 49% gher than the national average and they buy nearly e third of all goods sold at retail in the country!

But location in the midst of the country's richest and ost concentrated market is just part of the story r the firm planning expansion in the East.

There are unequaled transportation facilities, an ample supply of skilled labor, unparalleled opportunities for foreign trade, and a host of other advantages.

New York State will give you specific facts you need to know before selecting any plant site. New York's Business Information Service will furnish, without obligation, complete facts—as they apply to your business—on: factory space available, utilities, warehouse facilities, local transportation, labor supply, and supplies of raw materials.

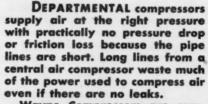
For full details, write M. P. Catherwood, Commissioner, New York State Department of Commerce, Room 419, 112 State Street, Albany 7, New York.

NEW YORK MEANS BUSINESS



### Decentralize Hir Supply

### TO END PRESSURE DROP, STOP FRICTION LOSSES



Wayne Compressors are completely packaged units, easy to install right where they're needed, and easy to move to any other location if requirements change.

Write today for booklet giving full details of the Wayne plan which assures more efficient compressed air service.

Industrial Division

THE WAYNE PUMP COMPANY FORT WAYNE 4, INDIANA

### WAYNE AIR COMPRESSORS GASOLINE PUMPS - CAR WASHERS - AIR SCALES - REELS - LIFTS

### Middle East Production

To the oilman, Middle East oil is almost—but not quite synonymous with Eastern Hen isphere oil. How important Middle East oil is to the future pen leum picture is shown in the following table. The figures, a thousands of bbl. a year, give pawar production and projected ou put to 1965:

Year	Middle East	Far East	Eastern Hemisphe
1938	121,399.0	80,592.0	260,281
1947	259,040.5	58,874.5	
1950	353,356.5	86,870.0	486,54
1956	529,797.5	140,488.5	716,495
1960	609,732.5	152,643.0	808.58
1965	721,714.5	167,863.5	935,78

01

o ar fin

hm

ict

fu

an

hemisphere (Russia and the E States excluded) was 268,530,500 By 1950, it may be 486,545,000 by 1965, a substantial 935,787,000 Major portion of this oil will come the Middle East-Persian Gulf area

Western Hemisphere production (U. S. excluded) was 334,997,000 in 1939. Outlook is for 524,651 bbl. by 1950 and 846,946,000 bbl. 1965. From 1947 to 1950 output drop slightly as the Eastern Hemispharket switches to eastern Source supply. Thereafter, however, incorrequirements in the United States help push Latin American output new heights.

• Realignment—The shift to Worlds in oil will mean considerable alignment in the relative position the important producing regions 1938, the ten top foreign crude pring regions were, in order of in tance: Venezuela, Iran, the East I (Netherlands East Indies, New Ga Borneo), Europe (excluding Ru Mexico, Iraq, Colombia, Trinidad gentina, and Peru.

The 1965 oil production lineup pected to look like this: Venez Iraq, Bahrein-Saudi Arabia, Color Iran, East Indies, Kuwait-Qatar-O Dhofar-Trucial Coast (all on the sian Gulf), Europe, Mexico, and l

• U. S. Peak—U. S. crude produmay well have reached its all-time in 1946—1,730,100,000 bbl. Outprecent years, under stress of war a sity, has exceeded the maximum cient rate (the speed at which of be extracted so as to assure ret of the greatest possible amound crude from each well). Yet now pears that the rate probably will a 1,825,000,000 a year by 1951, flatten out to a more efficient 1 500,000 to 1,715,500,000 bbl. a after that.

Imports will be controlled by

for your protection

gol

c loya

and and U.S. domestic production oth crude and synthetic fuels. It t beyond reason, however, to look et imports of close to 300 million annually by 1965 (box, page 86). of this will be crude:

### EFINING CAPACITY

Ea

quite

Hen

Mid petro

25,

re pa

500

000

,000

me

rea

odu

.000

,651

) bb

misp

incr tates

utpu

erab

ition

e profin

Gu Ru idad

enez

color ar-O the ad l

odu ime Outp ar r

rec

our

ne major bottleneck to balancing on supply and demand over the decade or so now appears to be a of refining capacity abroad. Existoreign refineries need extensive rement and modernization: They overworked during the war years, many technological improvements made prewar installations out of Others suffered major damage in

fining processes will also require ments to turn out the type of icts required for marketing. At nt, foreign refineries are producing little gasoline and kerosene, too fuel oil.

e obstacle of poor refining facilian be partly overcome by proper ght and planning. But some counin which installations might logic-



and gold to Saudi Arabia's King Ibn and Each barrel produced puts a so toyalty in his treasury.



### WORK IS MORE PROFITABLE THAN WORRY!

It is about time we became worried about Worry.

Worry is becoming too universally fashionable for our own good—and our pocketbooks.

We are worrying because we think we know too many wrong things about tomorrow—and next year.

It just could be that we have out-statisticked ourselves into this dither.

Worry that keeps a man from doing a day's work (so it will be saved to do tomorrow) produces high-priced groceries and automobiles.

Worry that puts off logical management action (because some self-appointed seer prophesies trouble ahead) cuts no costs and boosts no schedules.

Worry puts poisons in the lifeblood of action.

Work gets things done, at the bench, on the line, in the front office.

That's the way wages are made, and profits.

Wages and profits are the same Americans in different clothes.

酉

This organization of over a hundred trained engineers has twentyeight years of consulting management engineering experience. We invite you to write for more information, or to request a personal interview in your office.

### THE TRUNDLE ENGINEERING COMPANY

Cleveland, Ohio, Bulkley Building
CHICAGO, City National Bank Building,
208 S. La Salle Street

A20 Lexington Avenue

President

### THE WORLD'S LOUDEST LOUDSPEAKER



Coverage and economy are the standards to which we work. By a simple new principle we make a 20-watt amplifier do a big job, two of them cover the Yele Bowl. One mounted on a teg plying the Ohio talks to lockmasters 2½ miles chand, saving hours every trip. Two cover ½, mile of an Atlantic bach and boardwalk and lifeguards can be heard ever the roor of the surf and the blare of music. VOCAL-AIRE really does a job. The installation is easy, the maintance low. Don't confuse it with an ordinary public address system; VOCAL-AIRE is different.

Designed to cover large outdoor areas or to direct activities at distances up to a mile . . .

It may be a stadium, a terminal, a construction project, a race track...but if you want to be heard clearly and distinctly...and without bulky amplifying equipment...well then, VOCAL-AIRE is what you need.

May we tell you more about it? An illustrated folder is yours on request.

DILKS, Inc. NORWALK

IF YOU ARE A SUBSCRIBER TO



MAGAZINE

THE FIXED ODDS THAT YOU HOLD ONE OF THE FOLLOWING TITLES ARE...

President or Owner 1 to 2
Vice President 1 to 14
Sales Manager 1 to 14
Management-Man 97 to 1



Industry's appetite for oil calls for teeming refineries and tank farms in a lands, supplementing those now hard put to meet U. S. requirements.

ally be made have not yet reached economic or political stability, would thus seem too risky an investment for operators.

 Constant Increase—Eventually, foreign refinery capacity will have to be increased constantly to keep up with demand.

This year, for example, refinery capacity is approximately 2,155,400 bbl. daily, while refinery demand will approximate 1,995,100 bbl. daily. In 1949, existing and foreseen capacity will be 2,297,400 bbl. daily, but demand will be 2,358,100 bbl. daily, By 1965, additional capacity of 1,831,700 bbl. daily will be required if refinery demand of 4,331,700 bbl. daily is to be met.

In this country, no major problem is anticipated in keeping refinery capacity in line with long-range requirements. Domestic oil companies expanded capacity tremendously during the war, already are embarked on further enlargement programs. But they may not be able to prevent a possible 1947 squeeze in gasoline and fuel oil (page 10).

### V. THE SEARCH CONTINUES

At the moment, there are not enough known reserves in the world to meet estimated future demand.

Anticipated demand for petroleum in the two decades 1946-1965 is set at some 12,637,800,000 bbl. in the Western Hemisphere (U. S. excluded). Proved reserves at the start of 1946 were only 9,359,000,000 bbl. So 3,278,000,000 bbl. of new oil must be discovered if supply and demand are to keep in balance. In the U. S., proved

crude reserves plus natural gas liq total little more than 13 years' su at the estimated 1947 rate of use (B Mar.15'47,p10).

Similarly, demand for oil from East deposits is expected to aggre 7,489,000,000 bbl. from 1946 thm 1965. But proved reserves total 1,310,300,000 bbl. Somewhere in area, an additional 6,179,600,000 must be found.

Only in Europe and the Middle Persian Gulf are presently known or reserves sufficient. Demand from area through 1965 is put at 5,735, 000 bbl., existing reserves at a constive 19,415,600,000 bbl. That w still leave 13,680,100,000 bbl. in ground in 1965, even if no more were found.

• Room for Confidence—Neverthe oil economists are completely confithat the world will not run out of After carefully appraising the pote new sources of oil, geologists agree are far greater than generally real In the Western Hemisphere,

ezuela and Colombia are believe have huge untapped deposits. In Eastern Hemisphere, Iraq, Iran, Saudi Arabia are certain bets. () areas—Mexico, Canada, Peru, Ku Qatar, Rumania—will probably still further deposits after a more ough investigation.

Meanwhile in every portion of globe-from Cape Hatteras to 0 from Alaska to Australia—that search oil goes on. Geologists are confident their efforts will bring gratifying rebut where and to what extent is body's guess.

# They send and to the cleaners instead of merchandise



\*Name furnished on request

SOOT and smoke were taking a heavy toll of merchandise in this large Southern department store.\* To combat soilage and resultant mark-downs, a complete dry cleaning plant was installed which reduced losses materially.

Then they tackled the basic problem—elimination of atmospheric dust and dirt. Fully automatic, self-cleaning, electronic air filters were included as part of a new store-wide air conditioning system. The results were soon apparent. Soilage was reduced to a point where it was no longer economical to operate the dry cleaning plant; the need for frequent redecoration was eliminated; and store cleaning costs were cut appreciably.

Dust-laden air is the source of many product, processing and personnel problems that can be solved effectively by the right type air filters. A representative of the American Air Filter Company will be glad to analyze your needs. His recommendations will be both sound and unbiased because he represents an acknowledged leader in the field offering the only complete line of air filtering equipment. Write or call us for name of your nearest American representative.

AMERICAN AIR FILTER CO., INC.

387 Central Avenue, Louisville 8, Ky.



AIR FILTERS

AND DUST CONTROL EQUIPMENT



You can net a 50% or greater saving in printing...and get your price lists, forms, bulletins, sales folders, catalogs, instructions and house organs out in a fraction of the usual time with Vari-Typer\*, the Office Composing Machine.

Your secretary or other typist can easily operate Vari-Typer, which has letter keys located just as they are on a typewriter.

It's the changeable printing style type that does it! In seconds your typist can change from large headline type...to handsome, compact Bodoni or Caslon text type...to bold face for subheadings...to italics for interest-over 300 styles and sizes available!

Vari-Typed copy is master copy ..clean and sharp...with justified (squared) margins...ready to put in your duplicating machine for running off the same day! No costly outside composition...no waiting for proofs!

Thousands of leading concerns profit by using Vari-Typer. Find out why. Write for free demonstration at your office or samples of work to Dept. Bw-4, Ralph C. Coxhead Corporation, 333 Avenue of the Americas, New York 14, N.Y.

\*Reg. U.S. Pat. Off. & foreign countries Marca Registrada Marca Deposée



Prepares Copy for Duplication

RALPH C. COXHEAD CORP.

### LABOR

### John Lewis Keeps His Date

U.M.W. walkout to protest Centralia disaster is, in effective the strike John L. had set for Apr. 1, then called off on Supre Court order. Coup repairs his standing as labor leader.

When Local 52 of the United Mine Workers of America made its plans for burying its dead last week, its grief was unrelieved by any knowledge that the disaster which had taken III lives in Mine No. 5 of the Centralia Coal Co. was going to be more than just another chapter in the tragic history of men and

And when, in a coal town's tradition of compassion, it dipped deep into its treasury to order wreaths for the 99 widows and the next of kin and directed its members to stay off the job to attend the funerals, it thought it had taxed the organization's resources to the limit of what a union could do in such circum-

But it had planned without John L. Lewis.

• A Promise - For the president of U. M. W., the explosion below the earth of Centralia, Ill., was a trumpet call. Under an interdiction by the U.S. Supreme Court against striking, he still had a promise to keep: that the mines would be closed on Apr. 1. It was as if fate had consulted his appointment book.

With Lewis conducting, the hun obsequies of 110 miners (one body) yet found) became a Gotterdammen

had obs

M. V

ment regu Cent

cted s in then

nmer he tra

ces v

were M. V overn

ereav

estab

won

ind :

n of

nillio

provi

rpha

the n

a bar

ight May

atiza

n m

two

on n

alko

nine

ress

as fa

nent

wel

chie

A

Int

This week the nation's coal pits deserted in response to the Lewis to "suspend work, meditate, pray, resolve for a safer and more secure ture." The country's first industry stoppage to mourn an industrial accid was a fact.

· "By Any Other Name"-No m what its inspiration, by any known nition it was a strike. Justification for was claimed under a provision in Lewis-Krug contract-so recently held the highest court in the land to strikes-which had been taken over in entirety from an earlier agreement tween U. M. W. and the private on

This clause provides: "The Into tional Union, U. M. W., may design memorial periods provided it shall proper notice to each district." It never been invoked before.

· Demands-Like any other strike. one had demands. Two of them made explicit by the union. The st



333 AVENUE OF THE AMERICAS, NEW YORK 14, N.Y. Mine No. 5 of the Centralia Coal Co.: An explosion set off a national structures

had other objectives, somewhat obscure, but nevertheless im-

M. W. openly demanded strict enment of federal and state mine regulations. It pointed to the fact Centralia's Mine No. 5 had been cted last November, and that 60 es in the federal mine safety code then being violated. A recheck by mment inspectors only five days behe tragedy revealed that 51 of these ices were still uncorrected, and that were three new violations.

M. W. also demanded openly that overnment begin disbursements to creaved families from the welfare established in the Krug-Lewis conwon by Lewis in the 1946 strike; and accumulates at the rate of 5¢ on of coal produced. It now tops nillion. One of its stated purposes provide for "mine accident widows rphans." In his war of attrition on , Interior Secretary J. A. Krug has the money locked up, ostensibly to a bargaining card against the day ight need it.

May Win-Lewis' strike-colossal

body

ımer

pits w

wis o

rav.

stry

wn

on fo

to

May Win-Lewis' strike-colossal atization of the Centralia disaster-in motion forces which may win two demands. The government's on not to go into court to enjoin alkout attests to its conclusion that niners are backed by public sym-

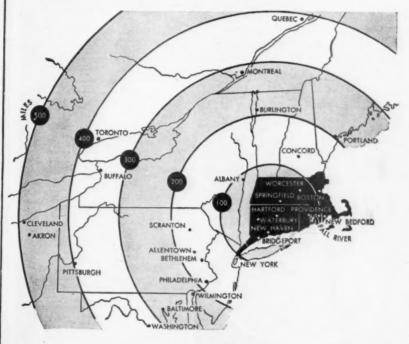
. Anti-Administration forces in ress can be expected to push the as far as Krug can be embarrassed. of it may come strong safety-ennent measures and the unfreezing welfare fund.

chieved, these will be monumental



e squads which brought up 110 s in the Centralia disaster were it work this week. One body ot been found. Meanwhile, the over responsibility raged.

# Aiming for More Customers?



### 41.2% of all U.S. retail sales are made within 500 miles from the center of Southern New England!

NO MATTER where you locate on the New Haven, you'll be near a major portion of America's buying power.

38.1% of the nation's population lives within 500 miles from the center of Southern New England. This area earns 54.2% of America's industrial wages and salaries; pays 50% of individual U.S. income taxes; holds 72.4% of the country's savings deposits; bought 41.2% of all goods sold across retail counters in 1945.

Being close to this tremendous purchasing power is just one of many advantages enjoyed by industry in Southern New England.

For more facts to help you plan for future profits, write for a free copy of "SOUTHERN NEW ENGLAND FOR TOMORROW'S INDUSTRY." Address: P. E. Benjamin, Mgr., Industrial Development, New Haven Railroad, Room 200, 80 Federal St., Boston 10, Mass.

### THE NEW HAVEN R. R.

SERVING NEW YORK AND THE GREAT INDUSTRIAL STATES OF MASSACHUSETTS, RHODE ISLAND AND CONNECTICUT



### e-and lasting longer because they're Ampco extruded bronze

### Wear-resistant aircraft parts cost less when machined from Ampco extruded stock

Exceptionally high strength-to-weight ratio is an indispensable asset for aircraft parts. This quality is one of seven outstanding performance advantages of Ampco aluminum bronzes—advantages which give better and longer service for vital parts subject to wear in any application.

Extra economies are afforded when you can use Ampco extruded bronze rods. Extruded stock provides sizes close to most requirements—reducing waste and machin-ing time; the smooth finish and compact structure cuts down rejects caused by physical flaws.

Two grades of Ampco Metal and two

grades of Ampcoloy (industrial bronzes) are regularly produced in extruded form by Ampco. Rods in a complete range of sizes are available for immediate shipment. Write for Bulletin 64A for complete details.

Ampco Metal gives these 7 outstanding performance advantages . . . Resistance to — Corrosion • Compression • Impact • Fatigue • Wear — Excellent bearing qualities · Efficiency in extreme temperatures.

Ampco Metal Inc., Dept. BW-4 Milwaukee 4, Wisconsin Field Offices in Principal Cities

long-range gains for the miners, the objectives of the strike which La is not publicizing may, if won, important immediate effects.

• War on Krug-First of all, Lo wants Krug fired. He feels that secretary is trying to make a nation reputation on his ability as a Le tamer. The union leader knows Krug has a stake in being uncome mising with U.M.W. and Krug is man who can exert a considerable fluence over the terms Lewis gets h the operators in a contract which n be signed before the government out of the mines June 30.

Then, Lewis wants to show the erators he is still tough, still resource There was such a will to believe Lewis was washed up when the preme Court slapped him down U.M.W. carried this myth as a barr ing handicap. Big John wants to stroy that myth. He figures it make the difference of one or two an hour in wages in the next conti • Coup-And finally, by his act Lewis is repairing his standing as all leader. Even his bitter enemies in union movement, of which he many, are conceding that this is a sill sov liant coup-daring, imaginative, history They acknowledge that there has been a stroke of union leadership soft years which better identified its an as a champion of labor.

in

t no

pas

fior

DIO

aw

n o

trie

th

nspi

r in ab ts

ed er,

m

nt'

th

tio

W

be

eva are

H

Pulhe 's v

Meanwhile, spokesmen for the industry estimate that the oneshutdown will cost the nation 8, 000 tons of coal. They contest Inter statement that Holy Week would been a period of inconsequential production anyway. And Cong gets another demonstration of w

 Another Centralia—Lewis could have overlooked this. Nor, his men



Widows' vigil: wives of some of 111 who were killed in the mus book

what it is, could he have failed all another Centralia. That other ralia made all the headlines in mber, 1919.

hat

con

gis

ets f ch 1

0117

me-

stories 28 years ago told of a ed gun battle between the Indus-Workers of the World and the ralia (Wash.) post of the American n, as the ex-servicemen marched he I.W.W. meeting hall. The of four Legionnaires, numerous ot wounds, mass arrests of more 1,000 I.W.W. members, a stormthe jail, and a lynching made Centralia a black page in labor's Students of the American labor ment consider it the event which d the I.W.W. on its decline.

ere are some sober labor men now ing about whether the bold stroke M.W. in its Centralia affair may in the end have overshot the thus threatening the continued nce of the mine workers' union.

### at Arbitration Law

Indiana legislature enacts a is a bill covering public utilities that nales compulsory a novel form rship settling labor disputes.

> Employers in Indiana who sell "elecgas, water, telephone, or transion services to the public" are protected against strikes. A new law provides for compulsory arbiof a novel type in public utility

> hed by legislators who reflect in-'s views, and strenuously opposed th the A.F.L. and C.I.O., the law aspired by Lee Hill, publisher of raw-Hill's Electrical World and r industry member of the National

ts Management Objection-In a editorial in Electrical World last er, Hill proposed an arbitration m that would get around mannt's traditional objection to arbithe terms of new contracts. His tion: that the arbitration tribunal would determine new contract be limited in what it could award vailing practices and wage rates area served by the utility.

would convert "the arbitration ding into a determination of Hill wrote, "a judicial process than the legislative process of law as it would be if ordinary tion were used. The purpose of bitration proceedings really is to the utility employment practices m to local conditions, not to blaze

nils in employee relations."

l Version—The Indiana legislane bok Hill's idea, adding a prelimi-



### industrial Los Angeles are you looking for?

Look north, south, east or west in Los Angeles and you find widely separated industrial centers. Each one is just a few minutes drive from clean, attractive residential tracts. Here there is no single industrial district. No crowding into a congested "factories only" area. Here, every side is the "right side" of the tracks.

Employees like this feature. Executives do, too.

While Los Angeles is the largest

city west of Chicago and the third retail market of the nation, it has the important decentralization advantages of small towns. In addition, it has the production and service advantages of large cities.

It will pay you to find out about this unique small-town big-city combination. Write us-today-for information on plant sites, low power costs, ample water supplies, markets, transportation or special problems relating to your business.

40-PAGE BROCHURE FREE. SIGN AND ATTACH COUPON TO BUSINESS LETTERHEAD

### Los Angeles City-Owned DEPARTMENT OF WATER AND POWER

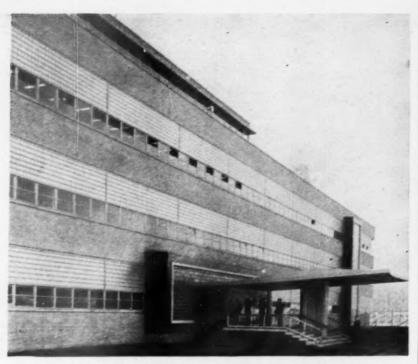
207 South Broadway, Los Angeles 12

"Serving the water	and power needs of 1,805,687 citizens"
ME	
DDRESS	
ITY & ZONE	

Les angeles Tar in the West Har IN YOUR INDUSTRIAL FUTURE







Eyes of the world are turned to the current headquarters of the United Nations at Lake Success, L. I., N.Y. Originally built by Sperry Gyroscope Co., producers of ultra-precision war materiél, who now occupy two-thirds of the building, it represents top thinking in industrial daylighting. Nembhard N. Culin, designer. Stone & Webster engineers.

### A "grand slam" in industrial lighting

Winning hand in modern office and plant daylighting is this

DNSULUX

Insulux Glass Block is made in three sizes, many attractive and functional patterns. It is equally suitable for new construction or modernization. Businesses everywhere have solved problems with this modern material. Investigate!

skillful combination of prismatic Insulux Glass Block and clear windows.

Daylight is directed deeper into the building. Light levels are more uniform. Brightness contrasts are lower. Clear glass provides outward vision.

The high insulating value of Insulux panels is especially important in an air conditioned building. Heat gain in summer is materially reduced. Air-borne dirt and dust are sealed out. Noteworthy, too, is the ease of maintenance. Insulux requires no painting and does not rot, rust or corrode.

This versatile building material is manufactured by Insulux Products Division, Owens-Illinois Glass Company, Toledo 1, Ohio. Your request to Dept. D-39 will bring further information.



Electrical World's Lee Hill

nary compulsory mediation feature. Fines and jail sentence await a unually which strikes—or an employer who lock out—in defiance of the law or of alor arbitration award.

Hill sees as the strength of his possal its accommodation to reality. So ous disputes in a public utility industriare either settled on terms acceptable to the union or arbitrated, he reason. Therefore why not take some of the hazards to employers out of the arbitration process and accept it as the bedevice available.

Hill does not advocate applying scheme to industries not vital to public health and welfare.

### A.F.L. LOSES WIRE FIGHT

A.F.L. efforts to solidify its bargasal ing position in the Western Union Telegraph Co. failed again last week. For the fourth time since 1942 (BW-Mas 8'47,p88), New York communication employees voted for continued report sentation by C.I.O.'s American Communications Assn.—despite the A.F.L. charges of "Communist control."

The Commercial Telegraphers Units (A.F.L.) recently petitioned for National Labor Relations Board election in the metropolitan heart of the Western Union system. C.T.U. reposents 50,000 employees in six of second the company's operating district The fact that the A.C.A. has had solid grip on the remaining, highly vita 7,000 has constantly irritated A.F.L.

Last week's voting gave A.F.L. and encouragement for hopes of an evental New York victory. A.C.A. games 3,974 votes to 1,089 for C.T.U.

Shortly after NLRB released electron results, Western Union and A.C.A. a nounced that their contract had be extended for 90 days from a Mar. expiration date. Negotiations will stainmediately on union demands.

t use

eep sla opriation House mions and ry. The oling ed do have here is somy and an imnecessary business must be lo zealous Autropriation for the Dep

200, di

t of mo

current

0 in th

he Laborator Lab

d expar

nical ser

he Nati

would l its staffed that a grea cases. ailroad ed, fare nearly ! would 1 he Bure about opriatio ld get o is prob e a part away re will many nd some

-and

-helpfu

iscussion

ices is s

to see i

argui

### there It Hurts

House slash in Labor Dept.

ds would curtail the services
th useful to business. Main
tussion centers on BLS.

eep slashes in U.S. Dept. of Labor opriations, voted by an economy-House, have aroused the concern nions and of some sections of inry. They are now assessing what bling effects such a fund reduction d have on department operations. here is a growing belief that the omy axe might have swung too far, an important source of informancessary for enlightened decisions business—as well as labor—policies ht be lost.

zealous and strategy-minded House ropriations Committee pared a recommended \$32-million appropriation he Dept of Labor down to \$19 milgon. It was slashed further, to \$17,200, during floor debate. This was to of more than 40%. If the Senate curs, it will mean a reduction from current 6,700 employees to about 0 in the department.

ost Affected—The result would be a ed curtailment in many services: he Labor Standards Division would

bolished.

the U.S. Employment Service would educed to little more than a federal

kkeeping agency.

The U.S. Conciliation Service would about 100 employees, including fector Edgar L. Warren. It also ld be forced to abandon such prodexpansions as its information and nical services (BW-Nov.23'46,p96). The National Labor Relations Board would lose personnel, possibly 10% its staff; NLRB already has prode that this would mean longer deagreater bottleneck for Wagner cases.

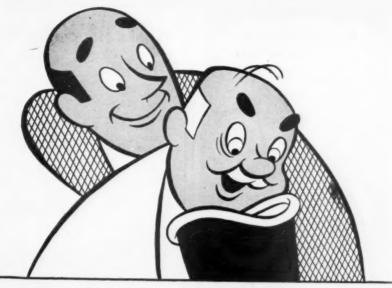
ailroad labor agencies, long undered, fared better; but they would nearly \$1 million in appropriations, would have to lay off mediators.

he Bureau of Labor Statistics would about 65% of its recommended opriation. Instead of \$6,700,700, it

ld get only \$2,373,400.

t is probable that the Senate will ree a part-but not all-of the funds
away from the Dept. of Labor.
The will be calm urging to do so
many business leaders who have
not some of the department's funcis-and particularly those of the
b-helpful in the past.

discussion's Center—Much of the fuargument about department nees is going to center on BLS. It's to see why. The \$6,700,700 budget



### PEEP SHOW!

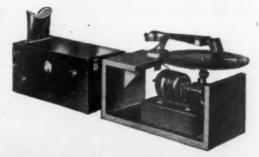
### SHOWS MOTOR-DRIVE SMOOTHNESS

Guesswork goes out of the window when it comes to Robbins & Myers turntable drives for R.C.A. recorders. As a final check on performance, these quiet, gear-head synchronous motors go into the WOW Machine, where variations in spindle speed are transformed into a measurable bead of light. Inspection is precise, quick, sure.

Even minor imperfections in the gear train could cause instantaneous surges. So tooth shapes of finished gears are projected and greatly enlarged for comparison with accurate contours. Thus does R&M cooperation in design and production guard fidelity in R.C.A. transcribers. Meeting unusual motor needs has been an R&M specialty for many years. It's experience that can serve you, too.

### WOW MACHINE

Developed by R. C. A., this inspection device consists of a turntable with constant-tone record which is revolved by drive being tested. Vibrations picked up by tone arm are transformed into a pulsating bead of light, visible through eye-piece. A one-half inch bead represents .6 of 1% speed variation—the maximum permissible.



### ROBBINS & MYERS. Inc.

SPRINGFIELD, OHIO . BRANTFORD ONTARIO

MOTORS . HOISTS . CRANES . MACHINE DRIVES . FANS . MOYNO PUMPS



or farming, ask Canadian National Railways for complete details on Canada. Visit any Canadian National office listed in your telephone book . . . or write Canadian National Railways, 360 McGill Street, Montreal, Canada.

RAILWAYS HOTELS STEAMSHIPS AIR LINES

# OUTDOOR STORAGE OF MATERIALS, SUPPLIES

An Anchor Chain Link Fence helps you make full use of your outdoor space with utmost safety . . . thus frees valuable factory floor space and makes it unnecessary to build at this time. An Anchor Fence also controls employees and other traffic in and out of your plant—shuts out trespassers, agitators, snoopers and trouble-makers. Write today for our illustrated catalog, describing exclusive features like Deep-Driven Anchors, which hold fence erect and in line. ANCHOR POST FENCE DIVISION, Anchor Post Products, Inc., 6670 Eastern Ave., Baltimore 24, Maryland.



### What's Happening to the Cost of Living

				Gas & Elec-	Other Fuels	House Fur-	*	Total Cost of
	Food	Clothing	Rent	tricity	& Ice	nishings	Misc.	Living
August, 1939	93.5	100.3	104.3	99.0	96.3	100.6	100.4	98,6
January, 1941*	97.8	100.7	105.0	97.4	104.2	100.1	101.9	1008
February	97.9	100.4	105.1	97.3	104.0	100.4	101.9	1008
February, 1942	116.8	119.0	108.6	96.7	112.0	119.7	109.4	1129
February, 1943	133.6	126.2	108.0	96.3	117.8	124.1	113.6	1210
February, 1944	134.5	135.2	108.1	96.0	124.2	128.7	118.7	1233
February, 1945	136.5	143.3	108.3	95.5	124.1	144.0	123.4	1269
February, 1946	139.6	150.5	108.3	93.8	127.8	149.7	125.6	1296
March	140.1	153.1	108.4	92.9	127.7	150.2	125.9	1301
April	141.7	154.5	108.4	92.6	127.8	152.0	126.7	131.1
May	142.6	155.7	108.4	92.2	127.8	153.7	127.2	131,7
June	145.6	157.2	108.5	92.1	128.4	156.1	127.9	1333
July	165.7	158.7	108.7	92.1	133.8	157.9	128.2	1413
August	171.2	161.2	108.7	91.8	135.0	160.0	129.8	144.1
September	174.1	165.9	108.8	91.7	136.5	165.6	129.9	145.9
October	180.0	168.1	108.8	91.6	136.6	168.5	131.0	148.6
November	187.7	171.0	108.8	91.8	137.2	171.0	132.5	152.1
December	185.9	176.5	108.8	92.0	138.3	177.1	136.1	1533.
January, 1947	183.8	178.3	108.8	91.9	142.0	178.5	136.6	153.1
February, 1947	182.3	180.2	108.9	92.2	142.1	179.6	136.7	152.8

\* Base month of NWLB's "Little Steel" formula. Data: U. S. Bureau of Labor Statistics; 1935-39 = 100.

it sought for 1948 is nine times the \$784,000 BLS spent in 1938.

BLS was created in 1884, but most of its expansion in importance came in the last decade. The war, growth of unions, and increasing importance of labor problems were the major factors. Facts about wages, prices, man-hours of work, employment, productivity, and general working conditions assumed a new and vital stature. BLS was the logical agency to gather data, and so industry and labor, economists, statisticians, and government officials collaborated in an effort to build BLS up into an efficient and reliable fact-gathering

• Beyond Intent?—According to the House Appropriations Committee, however, this was a development "far beyond the original concept as expressed by the law" which established BLS. There were other complaints about the reliability of BLS statistics, and that the agency furnishes too many "soft jobs." Specifically, House members pointed out that BLS not only wanted to carry its wartime activities and appropriations into the peace period, but also wanted \$1 million more this year—and 377 new employees.

BLS will get neither. Congress is set to make BLS lower its sights. Some ambitious programs will have to be curtailed, others discontinued. One of the most controversial which may suffer is BLS' current survey of clauses in collective bargaining contracts.

• What Survey Is—This compilation, about half finished, already has been under fire from a large segment of management. It has been criticized as a

helpful guide for unions that are in ested in getting more concessions in employers.

The survey is a sampling of claim on important issues covered in unicontracts. It is designed to give a magnetic pleter range of possibilities from which comployers and employees may choose best suited to their needs. The it reflects the most favorable as well the least favorable clause on any is from the viewpoint of either labor management. Texts of sample claim are reproduced without reference to his prevalent they are; the industry volved, or the companies or unit which agreed to them. Intent is avoid any undue influence on emorphism of the parties seeking a clause to their situation.

• On File—Material is being drawn in the 15,000 contracts on file with B and is being compiled and circulated mimeograph form. Objections in labor or management will be consider before the material is gathered togeth as chapters in a book. When—and it he book appears, it also will independ the book appears, it also will independ to the sample contracts. Objective is to go negotiators factual and unbiased aid collective bargaining.

The budget cut may force BLS comb fewer contracts for its claus sampling or to lengthen the time the will be needed to complete the surprogram.

• Realistic Appraisal—If only such a troversial functions of BLS would affected by the proposed fund cut, a ployers' concern would be slight. But large segment of management, facing situation realistically, realizes that In the demonstrate control

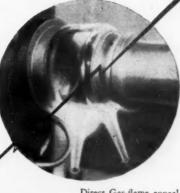
Product RCA to utilize the varianuf

With anneal contro assembly process full ad and more

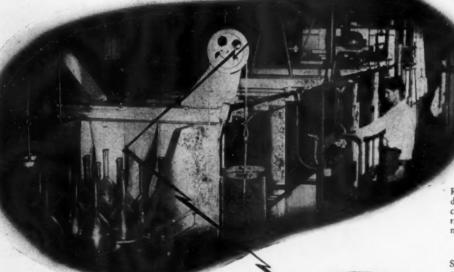
GAS a contril and he Your date of cent re Flexible GAS Speeds

RCA TELEVISION

**Tube Production** 



Direct Gas-flame annealing of 100-KW transmitting tube which is rotated during process.



RCA Television Reproducing Tubes leaving continuous Gas-fired radiant tube lehr for annealing.

Shaped Gas-flames at controlled temperatures are directed to exact areas of the tube stem as it is formed, on indexing-head press, to hold the tube elements.

In the manufacture of television transmitting and receiving tubes the productive flames of GAS demonstrate the full scope of their flexibility and controllability.

Production engineers and equipment designers at RCA tube plant in Lancaster, Pennsylvania, have utilized GAS as a production-line tool throughout the vast, modern plant devoted to electron tube manufacturing.

With shaped-flames, radiant-tube lehrs, directannealing flames—with a wide range of accurately controlled temperatures—with burners of all types assembled as integral elements of continuous process machinery, RCA productioneers have taken full advantage of the universal adaptability of GAS and modern Gas Burning Equipment.

GAS and modern Gas Equipment are making major contributions to increased production in heating and heat treating operations throughout industry. Your local Gas Company will bring you up to date on the newest developments and the most recent research findings of American Gas Association.

### AMERICAN GAS ASSOCIATION

420 LEXINGTON AVENUE, NEW YORK 17, N. Y.

THE TREND IS TO GAS

INDUSTRIAL HEATING



# Enjoy FLORIDA this summer.

This is FLORIDA... where every member of your family can have more fun this summer under bright, blue skies. Play on safe beaches. Enjoy a world of water sports, salt-water bathing, and swimming in Florida's springs and lakes. Have fun fishing, boating, golfing, sightseeing. Cooling Atlantic and Gulf breezes air condition Florida all summer. With special summer rates in effect in many places, you can treat your whole family to a healthful, fun-filled holiday and keep within your vacation budget. Plan your Florida trip now!

This, too, is FLORIDA... Business and industry are finding real opportunities in The Sunshine State today. Florida's mild climate provides ideal conditions for peak production every month of the year. Taxes are sensible, communities cooperative. There's a sunnier future in Florida for you and your business.



3	MAIL THIS COUPON TODAY (Please print name and address of State of Florida, 551 Commission Please send me free, colorful Flori Name	! early) Building, Tall da booklet.	ahassee, Florida
	Street and Number		

THE SUNSHINE STATE

rather than labor-stands to lose a in a rescheduling and curtailment BLS activities. It's only natural for agency to plan service reductions in a way that they will hit hardest at a it considers responsible.

orce

: (2

ince

s. 10

an

to

be a

tak

coal

el-

eff

45,<sub>]</sub> hile

odel

fo

ork

as F

aint

ted

f al

rep

es-

nal

n in

be

an

al a

spor

pro bia

ver

IS, W

tate

issic

tion

### Services Affected

Curtailments would have to be expetherefore, in a variety of services on which general business community has a more and more in recent years.

• Such BLS services as these would be

to be tossed overboard, or to be cutbone:

State and area employment and pareports; data on residential building; rate studies for key jobs in major ind (important to employers in the past basis for comparisons); studies of of labor requirements; special wage rate st made on request for conciliators and ar tors in dispute cases; the urban wage index; work and wage experience str research studies in industrial relations. ductivity, and working conditions; adv reports on labor economics and cha trends and policies; reports on foreign conditions; such price stabilizing influ as BLS' daily 28-commodity price index valuable consumer-purchasing studies su those on family income and spending to There would be less stringent curtails in other BLS services. Employment state price indexes, labor-management dis data, occupational outlook studies, and ous other services would be continued.

### New Job-Bias Bi

Measure introduced in a gress by Sen. Ives modeled New York antidiscrimination law, which he fathered.

A new, bipartisan fight against crimination in employment opened the Senate last week. Sen. Irving Ives and seven other senators us passage of a bill patterned after. York State's antidiscrimination is None doubted that the proposal was face rough going, but sponsors a hopeful that it could be steered obstacles which blocked fair emplement practices used to be seen the proposal was face. The legislation last of the proposal was face rough going, but sponsors a hopeful that it could be steered obstacles which blocked fair emplement practices (BW-Apr.13'46,p7).

• Right—The Ives bill would define portunity for employment as a 's right" guaranteed by the Constitute Discrimination because of "race, ligion, color, national origin, or any try" would be an unlawful employment agency, placement sem training school, labor organization, any other source" which discriminate any other source" which discriminate Labor unions would be barred for limiting, segregating, or classifum members.

The bill would outline clear-cut st

forcement: (1) investigation of (2) efforts to obtain voluntary ince by conciliation; (3) formal (5), leading to an order for compand, if all three fail, (4) applito federal court for an "approrlief or restraining order." This be an injunctive action similar taken by the government in the coal-strike crisis.

al for

ns ing

el-These steps are provided in ew York State law, which has n effect since July 1, 1945 (BW-45,p94). That law-drafted by hile a state legislator-has been odel for statutes in New Jersey lassachusetts. It also has been a for federal legislative proposals ce members of the House this



n. Irving M. Ives opposes job bias.

board which administers the fork law recently reported to Gov. as E. Dewey that it received 567 aints in 1946, found 290 of them ated action. Satisfactory disposif all of these was obtained, the reported, solely by means of cones. No punitive action was neces-

ies—The Ives bill would set up a nal Commission Against Discrimn in Employment, with seven apve members. The commission be empowered to open regional, and to establish local, state, and al advisory and conciliation countwould have, among other duties, sponsibility of setting up educaprograms for the purpose of combias.

commission would have jurisdicver all employers of 50 or more as, whose business is in, or affects, tate commerce. Jurisdiction of the ission would also cover labor ortions with memberships of 50 or





If you require light sheet metal structures if your installations must have great strength and be built to your own design—

If you want to simplify your manufacturing operation—and eliminate welding, turning, riveting, and waste—

If you require Kd shipment in the easiest possible manner— Investigate Lindsay Structure. It is now available in steel or aluminum in 23,908 prefabricated panel sizes. Let us show you how it can meet your requirements. The Lindsay Corporation, 1728 25th Avenue, Melrose Park, Illinois. Sales Offices: Chicago, New York, Atlanta, San Francisco, Montreal.

### LINDSAY STRUCTURE

U.S. Patents 2017629, 2263510, 2263511

THE MODELLI METHOD OF LIGHT METAL CONSTRUCTION



in your plant progresses faster, easier and at a far lower cost when a Tal Portable bender is on the job. This light weight, efficient machine makes perfect cold bends up to 1800 in one fast operation. Handles wrought iron, steel or conduit from \( \frac{1}{2} \) to 3". Al-

bends up to 180° in one fast operation. Handles wrought iron, steel or conduit from 36" to 3". Already thousands of plants and work shops are performing all kinds of bending jobs with record breaking speed, ease, and perfection. Find out for yourself, write for factual, illustrated bulletin.



Dept. BW Milwaukee 2, Wisconsin

### POWER in small PACKAGES

Precision-Built E-M-C Fractional H.P. Motors Activate Equipment Ranging From a Jeweler's Tiny Lathe To A Locomotive's Revolving Headlight

E-M-C CRAFTSMEN, custom-design electric motors, up to 1/15 H.P.—for a world of applications. Whatever your specialized requirement, E-M-C will build a motor to power it with jewel-like accuracy and precision.

EMC ELECTRIC MOTOR CORPORATION
Division of Novemb Industries, Inc.
P. A. C. I. N. E. W. 13 C. O. N. 3 I. N.



### Demands Are In

Major industrial unions are seeking guaranteed wages, portal pay, and welfare boosts in addition to wage boosts.

Contract demands of many of the major industrial unions have by now been pretty well outlined. The stage is set for serious collective bargaining which ultimately will influence wage and personnel-practice settlements in widely scattered fields.

Employers concerned over what 1947 contract negotiations will cover can find guidance in current demands in key industries. Of course, final settlements will not be at demand figures—C.I.O. rubber workers, for instance, demanded 26¢ an hour more, accepted 11½¢ (BW—Mar.29'47,p76). But what unions want is the important starting place for bargaining.

• Aside From Wages—Second-round

Aside From Wages—Second-round wage demands (box, below) are of top importance to management. But there are three other basic issues—all potentially costly for employers—which must be considered seriously this year: (1) health and welfare funds; (2) portal-to-portal pay; and (3) guaranteed wages.

These must be taken up in most negotiations, although it is far from certain that they will tap corporate funds to any great extent this year. However, no such uncertainty exists on the issue of wages. The only question is how much they will go up.

much they will go up.

• Compromise—The unions' apparent objective now is to get what they can, where they can. There is less of a trend to any general wage pattern this year than last; there is more inclination toward individualized settlements and compromise.

Although C.I.O.'s United Auto Workers Union has demanded a uniform 23½¢ more an hour, it accepted a 10¢-an-hour "down payment" increase from Nash last week end. It has made other interim settlements in a 10¢ to 15¢ hourly range.

The United Electrical, Radio & Machine Workers (C.I.O.) wants to "recover" an \$11.72 loss in weekly real wages, or about 25¢ to 30¢ an hour. It has made no specific hourly wage demand on its biggest employers, though it recently asked for a 29¢ raise from the Radio Corp. of America. However, U.E. now has 150 interim—of reopenable—wage agreements for increases averaging 10¢ an hour.

• Others—There have been many other such compromises—some binding for all of 1947, some pegged to steel or other major wage agreements. C.I.O. textile workers asked 15¢ hourly, accepted 10¢

in the North and 8.6¢ in the Soubinding increase. Oil workers in asked for 25¢, have accepted 18¢ in most cases. Glass workers in accepted a 3¢ hourly "down pap (BW-Feb.22'47,p84).

Settlements so far are beam predictions that the range of in wage settlements would be from to 15¢ an hour (BW-Jan.18'47).

Here's how other basic demander unions now are shaping up:

• Union Health and Welfare R Many major unions are bargainin year for this "fringe" issue assumed prominence during the period (BW-Aug.17'46,p89). Usia asking for a broad social insuprogram to be financed by emocontributions amounting to 3 gross payroll. It would include ment pay in addition to sickness ability, and death benefits (BW-'46,p90).

The United Steelworkers has a ted a similar demand for an emfinanced fund to United States However, the union has not specific payroll levy which it considers we necessary. The steel welfare fundable administered by a tripartite in U.E. is pressing a similar welfare demand, but hasn't said what plevy it wants. White-collar union setting the stage for future welfare

demands.

• Portal-to-Portal Pay—One dema the United Steelworkers on UStates Steel is for a clause specthat the work day shall start as worker enters the plant gate, and when he leaves it. U.E. has indicated it also will ask portal-to-portal pay major negotiations begin. U.A.W. it, too, might use it as a compromissue on wages. That technique worked at Dow Chemical and in negotiations (BW—Nov.2'46,p84).
• For Guaranteed Wages—Consideration of the Union research continues to center the Union of the Union o

bree

pli

ntra

Bowle

union research continues to cent this demand; government and ma ment groups also have been busy at ing records to learn just how to assured-pay plans would be. But demand is still in the talking unions are not expecting to win a year.

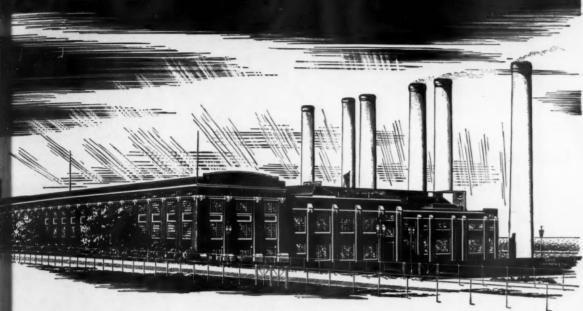
Currently, U.A.W. is asking

### Size of Wage Demands

Here are union wage demand now pending in key industries:

Automotive	23½¢ an
Electrical mfg	25¢-30¢ an
Steel	Unspeci
Railroads	20¢ an
Telephone\$1	2 a wk. (30e)
White collar \$10-	\$15 a wk. (30
Nonferrous metals	

### History-making power stations



### No.1 Lakeside Station

Wisconsin Electric Power Company

three factors are the unplus-values in every intract —

wledge — to solve s, and tomorrow's, cenerating problems.

rience — to interpret, world-wide background ry important industry, ecific needs of each tion.

ities—to manufacture
plate steam generating
to revery capacity from
pounds of steam per
to to the largest.

In 1920 the new Lakeside Station, of what was then known as The Milwaukee Electric Railway & Light Co., was a bold experiment that has much to do with your life today. For every man, woman or child who reaps the benefits of American industry has a stake in steam. And Lakeside started something important. It was the first central station designed to operate exclusively with pulverized fuel. Today you will find that pulverized coal, ground flour-fine, is the generally accepted way of firing the largest power station boilers, and is also widely used for boilers in the middle-sized range. However, in 1920 the situation was very different. Most power engineers were frankly skeptical of Lakeside's success.

But Lakeside more than vindicated its designers. Not only did it prove the practicability of pulverized fuel; it demonstrated its economy in the most convincing way possible, by establishing the lowest BTU rate (the measure of power station efficiency) of any station in the country. Combustion Engineering supplied the pulverized fuel grinding and burning equipment for the initial installation at Lakeside and, for the later extensions to the station, the steam generating equipment as well.

Today we take a lot for granted. Miracles no longer seem miraculous. But someone has to apply new knowledge for the first time before a marvel can become a commonplace. Lakeside engineers did this — superbly. We, of course, are gratified that so frequently the high points of power progress are linked with C-E, that our steam generating units and allied equipment are found in so many of the nation's "firsts". We invite you to let C-E's forward looking policy work for and with you on your requirements.

8-12

### COMBUSTION ENGINEERING

200 MADISON AVENUE . NEW YORK 16, N. Y





### MILK HOLDUP

When distributors in Louisiana cut the price paid for milk 75¢ a hundredweight, dairy farmers' associations called a strike. Armed blockades (above) choked off truck shipments of milk into New Orleans. Attempts to move supplies by rail fared little better. The conductor of an Illinois Central train was forced to order an express car side-tracked so that its milk cargo could be dumped (right). By last week end, 58% of the state's milk supplies had been cut off. However, the strikers' railroad sorties had been brought under the eye of the FBI.



weekly guarantee of 40 hours' pay in the auto industry, U.E. has gone on record as wanting an annual guarantee, and the United Steelworkers has renewed its demand for an annual wage for the steel industry. U.O.P.W. has proposed assured weekly minimum pay for white-collar workers.

C.I.O.'s rubber workers were pioneers in the drive for guaranteed annual wages. Some major 1947 contracts have contained an agreement by management to study the feasibility of assured pay in rubber plants. They give no assurances that such a program will be adopted.

• Other Demands—Many unions, including the telephone workers' groups, are demanding union-shop contracts, with a checkoff of union dues. Almost all unions include demands for greater vacation benefits, additional holidays, double time for Sunday and holiday work, and time and a half for Saturdays. The steelworkers and U.E. are asking for severance pay. The railroad unions again are demanding changes in work rules—the issue which led to a strike last year.

### **CURE FOR PARALYSIS?**

As federal conciliators worked tically at midweek to avert a midwide telephone strike (BW-Mar.) p76), legislation was pressed in gress for safeguards against fit threats of "national paralysis" st

The House Labor Committee ported out a bill to amend the Ma La Guardia act. It would authorize President to ask for an injunction agany strike which would result in to tion or substantial curtailment of the portation, public utility or commutation services essential to the publicalth, safety, or interest."

"cooling off" period, during which ciliation would be attempted. If successful, employees would then polled secretly on acceptance of "current offer" of the employer. I last resort, a court-appointed by would study the dispute, recomma "proper settlement." Meanwhile restraining order still would bar a st

### NTERNATIONAL OUTLOOK

INESS WEEK

SERVICE

Britain's Labor government has run into such serious difficulties it has been forced to call in a doctor.

And the man chosen—Sir Edwin Plowden—is no doctrinaire socialist economist, he's a 40-year-old representative of the powerful steel industry and a strong advocate of private enterprise.

The move is no mere sop to the big business critics of the government. It is an admission that the Labor government's braintrusting has failed.

As is so often the case when a group of theoreticians comes to power, it promised more than it could deliver.

In the case of Britain, the last six months have proved that economic reform must be held in line with (1) capacity of the leadership and (2) the limits of the nation's resources.

Significantly, pressure for the appointment of a businessman to the planning post came from top civil servants as well as from leaders outside the government.

Protests were especially vigorous from the Ministry of Supply and the Board of Trade. Here harassed leaders are demanding an end to the unlimited and uncoordinated orders now coming from the various ministries.

As the government's chief planning officer, Plowden will also be the principal link with private industry through a new planning board soon to be established.

Top management leaders will be included in its membership—along with representatives of labor and government.

It is clear that the government is genuinely alarmed over its failures in the economic field, and is prepared now to seek active cooperation from private industry.

Investigation in London this week indicates that the Plowden appointment also has political significance which has not yet been generally realized.

While policy decisions will still be made by the cabinet, Prime Minister Attlee is virtually forced by recent public reaction to give the new chief planning officer real authority.

His resignation, if forced by party meddling, would inevitably lead to a further loss of public confidence which the government could ill afford now.

Actually, Attlee may call a general election some time soon because of the hubbub that has arisen over dwindling food supplies and the failure of the Labor government's production program.

Theory of the present leaders would be that they could undoubtedly still win a large majority in the House of Commons which would extend their tenure of office until 1952, instead of the present theoretical limit of 1950.

A year from now, if controls were not reduced and if the standard of living had fallen further, they might have real difficulty winning a working majority.

Evidence continues to pile up indicating how far British business has already been hit by the government's bungling economic policy.

Finland has just canceled orders for \$2,500,000 worth of electric

na nr.2 in

### INTERNATIONAL OUTLOOK (Continued)

BUSINESS WEEK APRIL 5, 1947 motors. When the orders were booked, Britain promised delivery in April, 1948. Last week the delivery date was postponed to October, 1950. This is longer than the Finns were willing to wait.

Helsinki officials have not yet canceled large orders for generating equipment which also will be delayed. In this case, the contract calls for special specifications which could not be quickly duplicated elsewhere.

### In another line Britain is losing a rich export potential.

Lord Nuffield (manufacturer of the popular Norris car) has just canceled plans to build tractors in England because of the steel and cast-iron shortage.

Original program called for a production of 20,000 tractors a year, half of which were scheduled for export.

Despite the setback in export, London is revising upward the program for certain essential imports.

Excavating machinery orders, for instance, will be boosted this year from \$5,000,000 to \$16,000,000, the bulk to be placed in the U. S.

Objective of the enlarged buying is to speed the development of open cut coal mining, first urged by a wartime U. S. mission of experts.

And to help relieve the copper shortage at home, Britain will rush 150,000 tons of brass scrap (80% of it in the form of shell cases) to the U. S. for refining.

At a handling cost of less than \$12,000,000, the British expect to get refined copper worth nearly \$50,000,000.

inst. I

How far the new rush of orders for special machinery, supplemental food to help balance flood losses, and possible orders of coal will cut into British loan balances in the U. S. still has not been estimated in either London or Washington.

Until this month Britain had drawn \$1,100,000,000 from the \$3,750,-000,000 U. S. credit.

The British Treasury is now considering boosting cigarette taxes in the hope that this will reduce the demand for tobacco imports.

Real test of the adequacy of the loan will come in July when London is committed to make current transactions convertible into dollars on request.

With the British pound selling at a heavy discount in most financial capitals, it is an open question whether Britain can meet this obligation without further financial aid—from the World Bank or from the U. S.

Other countries are planning to boost their supply of dollars in order to finance large orders for U. S. equipment.

The Turkish government will soon announce the opening of a trade and tourist bureau, and sample display room in New York.

Hope of Ankara officials is to capitalize on the new foreign policy of the U. S. to boost the sale of Turkish specialties in the U. S. and to attract a larger number of tourist dollars.

With the rehabilitation of Philippine mines and with the free export of gold again permitted, the Manila government expects quickly to push local gold production to the prewar level of \$50,000,000 a year.

### INSINESS ABROAD

### weden Defends Import Ban

Government maintains embargo on nonessentials was necesity because foreign exchange reserves were being depleted by necessary proble trade balances. Discrimination against U. S. denied.

STOCKHOLM—Sweden's suddenly noted temporary embargo on imputs of nonessentials has long been peet d. One tipoff came a couple months ago, when licenses for toy d traket imports from the U.S. are ended. Nevertheless, it has now traders into a tizzy, and evoked approtes of protest from Switzerid and the United States.

Switzerland has asked that the emgo not apply to contracts being exated. Washington has called the move breach of the 1935 reciprocal-trade

In reply, Stockholm has led attention to the general dislocan of monetary and supply situations ich he 1935 pact could not foresee. eden has charged that U. S. postwar de policies do not accord with the 35 pect. Finally, Sweden denies that S. imports will be discriminated inst. It points out that its imports in the U. S. have been running far one prewar levels.

The big reason behind the embargo the fact that Sweden's reserves of eign exchange and gold have been inding rapidly, because of an inassingly unfavorable trade balance. it, in turn has been caused by a tuber of factors:

The price of imports has risen faster in the export prices of Swedish prod-

mp its of luxuries were stepped up about excess purchasing power in eden's effort to fight domestic infla-

ship nents of some prewar export this vs have had to be curtailed bethe necessity for filling inestable domestic needs.

be spread—The diversity in price and between import and export goods been of Sweden's own making. The number counted on an early collapse and ted world prices, and held its a pace level down to avoid the intable shock. As a result, the price import goods has risen some 110% to 1937-38 average; export prices Swedish products have gone up only

is in example of what happened, perporters were prevented from acting the world price for their product. Thus, they lost substantial sums in foreign exchange—some 100 million kronor last year. (That would not have been quite enough to balance the trade deficit for January, 1947.)

deficit for January, 1947.)

• Costly Luxuries—Luxury imports have taken a big bite out of foreign exchange. Fresh-fruit imports last year (165,700 metric tons) were more than double the 1937 figure (68,900 tons).

Other examples: Whisky and liqueur imports (438,000 liters) nearly doubled; silk imports quadrupled; the amount of undressed furs imported was 17 times the 1937 level.

• Export Cut-Lumber is the prime example of forced export curtailment. Historically, it has been one of the country's chief export products. But shipments last year were only about half the average for 1935-39, while

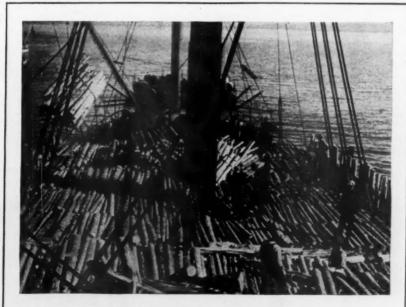
home consumption of lumber was about one-third higher than it was before the war.

Domestic construction needs were largely responsible. Before the war, Sweden imported structural steel largely from Britain and Germany. Now both of these sources have dried up. So lumber has had to be used as a substitute for the steel.

• Unfavorable Balance—The trade deficits resulting from all of these dislocations have dealt a staggering blow to Sweden's foreign exchange position. The unfavorable balance last year came to 842 million kronor (about \$234 million). Before the import embargo was imposed, the head of the Swedish government's Business Cycles Institute, Erik Lundberg, estimated that the 1947 trade deficit would reach 1.5 billion kronor (about \$417 million).

Trade with the U. S. in 1945 showed a favorable balance of 57 million kronor; in 1946 it fell to a deficit of 632-million kronor. Swiss trade showed an unfavorable balance of 70 million kronor in 1945; it rose to 126 million last year. In January of this year, the unfavorable balance with the U. S. was running 58% above the 1946 rate.

This situation could not be permitted to continue. Thus, Stockholm reasoned, imports had to be cut back (the embargo) and exports had to be



### LUMBER FOR BRITAIN'S PITS

Pit props for the mines of Great Britain swing aboard a freighter at Digby, Nova Scotia. Making up for time lost during the war, Britain imported about \$41 million worth of pit props in 1946. This was only \$13 million less than the \$54 million spent on all machinery imports—a comparison that provides a measure of the props' high urgency rating. Of the timber imported, Canada supplied half, still ships a hefty cargo.

stepped up (home consumption of newsprint has been ordered cut 25% to free supplies for export).

. Chief Sufferer-Although the U. S. is by far the greater supplier in the Swedish-market, Britain will be hardest

hit by the import ban.

It has been hard enough for Britain to find exports to pay for badly needed Swedish lumber and other products. Sweden used to get 40% of its coal from the U. K. That's a thing of the past. England has been shipping luxury goods to meet its obligations. Last year a third of Britain's automobile exports went to Sweden.

· Loan to Poland-One paradox in Sweden's dilemma is that, despite its unfavorable trade balance, it has been forced to grant foreign loans in order to assure supplies of urgently needed imports. This is particularly evident in the trade agreements that have been made with Poland.

Sweden wants Polish coal and coke. Poland knows it. So the Poles have driven a hard bargain. They have agreed to supply Sweden with a minimum of 3,000,000 metric tons of coal in the next year in return for (1) a new 102-million kronor credit, and (2) a four-year respite on repayment of earlier loans amounting to 43 million kronor. In addition, Swedish trade with Poland is expected to show a 100-million kronor deficit in 1947 (210 million imports, 110 million exports). Poland is permitted to claim payment of 40% of that balance in gold and foreign currency.

· Sterling Predominates-Actually, Sweden's foreign exchange situation is even worse than appears on the surface: Existing reserves (as of the end of February) are largely sterling. Proposed new rules for the backing of currency would permit the jettisoning of 500 million kronor in gold to obtain dollars and other foreign exchange. But this would

only be a stopgap.

In short, Sweden's managed economy is now confronted with the task of get-

ting out of the same tight squeeze that has long since compelled other nations of Europe to adopt inelastic economic controls over trade and finance. Norway has taken steps to manage its dwindling exchange, and is seeking a U. S. loan. Denmark has imposed rigid trade con-

It appears that world trade is going to depend on the United States and Canada-not only for a healthy supply of vital goods, but also for the means to keep trade flowing above poverty

### DOLLARS ON TOUR

Foreign nations obtained nearly \$300million last year in funds remitted by residents of the United States. Dollars sent abroad to help needy relatives and for other purposes become available for purchases of machinery and reconstruction equipment in the U.S. and elsewhere. Money sent abroad last year totaled \$10 million more than it came to in 1945.

In addition, an estimated \$125 million in gift parcels went overseas.

Mexican workers in the United States were responsible for most of the \$44million sent to that country.

The following table of personal remittances in 1946 is based on Dept. of Commerce data (millions of dollars):

Mexico	 . \$44	.0
Italy	 . 26	.6
Hong Kong	 . 24	.6
China		.2
United Kingdom	 . 17	.4
Canada	 . 11	.7
Greece	 . 11	.0
Switzerland	 . 10	.8
Sweden	 . 10	.7
Spain	 . 10	.3
Other Europe	 . 57	.0
Other Western Hemisphere	 . 30	.8
Rest of world	. 21	.8
		-

TOTAL . \$296.9

### Finnish Prefabs

Poland gets houses insu for coal; U.S.R.R. gets a big of output as reparations: Br dickers over prices for some

HELSINKI-Finland's prefab ing industry is bending every effe aid European reconstruction and build Finnish foreign trade.

In a trade agreement signed in March, the Finns contracted to 4,000 wooden houses to Poland with raw materials, in exchange nearly 500,000 metric tons of coal fabs are destined for Poland's mareas. Another 375,000 tons of co to be paid for in foreign currency

If agreement can be reached on Finland will sell 1,000 prefabs to B As Reparations—The trade agree with the Soviet Union, recen newed, supplements shipments fabricated housing arranged as a Finnish reparations. In total, F will ship more than a million meters of such housing and completely equipped factories so can manufacture them on its own

As war reparations, Russia was ceive, by 1952, about 7,000 house a total area of 400,000 sq. meten to the end of January, 1947, some houses of about 300,000 sq. meter been delivered. Another 11,500 s ters of housing went to pay fin delayed reparations deliveries.)

liev

nt

the bu

A

th

fro

in

sib

nds

ll b

Not

CO

pro

the

it

al c ut and

fro

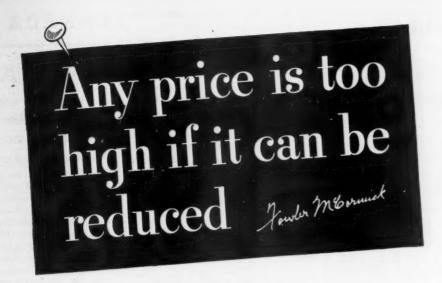
RI

• Promise for More-In the trade ment, Finland promised to export 000 sq. meters of prefabs this ye compensation for German assets land (allotted to the U.S.S.R. peace treaty), the Soviets will get 000 sq. meters more during 1948.

The prefab factories-themselve fabricated-will be self-contained They will be complete with a s of four saws, a cut lumber kiln,



A Finnish prefabricated factory (left) makes prefabricated houses (right) for unhoused Europe. Finland is both houses and factories. Russia will get eleven factories, with total annual capacity of nearly 20,000 h



## International Harvester nounces \$20,000,000 price reductions

lieve there is nothing more imnt to this country than to the prices of the goods that buy.

American people have inthat the government withfrom its attempts to control in peacetime. That places the sibility where it belongs—in nds of business and industry. Il business can reduce prices Not all can reduce by the same it.

company has felt a duty to promptly as possible. In our the business outlook now it possible to move toward al of lower prices. The only ut of the vicious circle of and higher prices is to break

have taken this step not beof present competitive condior because of a drop in defrom customers. We have
it because of our belief that
PRICE IS TOO HIGH IF IT
BE REDUCED.

e reductions, which will save rs of our products approxi-\$20,000,000 a year, will beprices had not gone up as much or as fast as many others

Here are Average Price Increases since 1941

All	Manufactured Products 63.7%
Meto	ils and Metal Products 41.2% (U. S. Government Reports)
ů	Motor Trucks
ů	Industrial Power Products 34%

come effective before April 1, and will apply to a selected list of tractor, farm machine, motor truck, and industrial power products. Since we lose money on a few of our products, and barely break even on some others, these reductions will not apply to our entire line. Reductions will be made individually on products. Some will be cut more than others. Exact details will be announced as soon as possible.

Our ability to maintain this lower level of prices will depend in part on what happens to the prices and flow of materials that we buy from others. Because we believe price reduction is vital, we are willing to assume the risks that are involved.

These benefits to customers will depend, too, on uninterrupted production at reasonable wage levels. This is not a program that can be carried out if it is hampered by strikes or work stoppages.

Our employes have had substantial increases in pay, and wage questions are currently being discussed with many of the unions with which we deal. Stockholders have recently had an increase in dividend rate. Having considered the interests of these two groups, we are now making these price reductions for the benefit of the third group—our customers.

Business, to our way of thinking, has a social as well as an economic responsibility. This company has long followed the policy of operating in the interests of three groups—its customers, its employes and its stockholders. The duty of the management is to see that equal justice is done as between the three groups.

This price reduction program is another demonstration of our policy in action.

INTERNATIONAL



**HARVESTER** 



Do you still open your mail with an old-fashioned letter opener? How long does it take—thirty minutes, an hour, or more each day? The ROTO-SHEAR MAIL OPENER can do the job in a fraction of the time with far less wear on employees and far less damage to important mail. Operator can open thirty to forty letters per minute with a ROTO-SHEAR Rance-sherp, self-sharpening steel cutter bar slices off enough of the envelope to expose but not damage contents. And since cutter bar is protected by guard and roller, there's no chance of operator cutting band, or getting paper lint all over clothes. If ROTO SHEAR is not available of your S32,50 local dealer's, send check or meney FOB Belles order to

ROTO-SHEAR CO., Ltd.







**EVERY 10,000 BUSINESS** WEEK SUBSCRIBERS OWN 13,000 "PERSONAL USE" AUTOMOBILES . . .

**4 OF EVERY 5 BUSINESS** WEEK SUBSCRIBERS TRAVEL ON BUSINESS, (25% OF THESE MAKE OVER 20 TRIPS AN-NUALLY).

From "ANONYMOUS PLEASE"-Business Week Market Study.

ment for transporting and stocking timber, a steam-electric power station, a plant that chops timber for fuel, and a repair shop.

• Output-Each prefab factory will have annual capacity of 1,800 houses of 50 sq. meters. Thus, the eleven factories to be shipped will give the Soviets additional annual capacity of nearly 20,000 houses of nearly 1,000,000-sq. meter area. Three plants have been delivered. Delay on imports of machinery from the United States and Britain is holding up

Main producer of wooden houses in Finland is Puutalo Ov. (Wooden House Co.) owned by the biggest Finnish lumbering interests.

### Bolivia Taken Into Argentine Trade Bloc

Completing a staked-out economic bloc. Argentina has signed a five-year trade and economic collaboration agreement with Bolivia.

• All the Neighbors-Argentina has long promoted a five-nation customs union for southern South America. Within the last six months, bilateral agreements have been signed with Argentina's four neighbors. Features of the customs union appear in each of the pacts.

The five-year agreement with Brazil was signed last fall (BW-Nov.9'46,p 106). An Argentine-Chile pact surprised outsiders by its magnitude and by providing for a \$150-million loan and establishment of joint Argentine-Chilean enterprises (BW-Dec.28'46,p77). Less spectacular pacts with Uruguay and Paraguay have also been concluded.

• Promoting Production-The Bolivian pact follows the pattern set in Chile. Each country permits duty-free exchange of goods excepting those specifically agreed upon as competitive. Argentina's Trade Promotion Institute provides a loan of 250 million pesos (about \$50 million) to finance Bolivia's adverse trade balance, for development of Bolivian industry, and for public works. Interest rates range from 31% to 4%.

Specific development projects are outlined. One annex provides for promoting Bolivian production of rubber, iron, and coal, with more than 1,250,000 acres to be devoted to rubber cultivation. Railroads and roads to be built or improved are listed.

• Trade-A final protocol specifies goods to be exchanged annually over the five-

Bolivia will furnish 8,000 tons of tin annually for five years, with Argentina committed to buy up to 12,000 tons if Bolivia has a surplus. In return, Argentina guarantees delivery of a long list of foods, raw materials, and livestock.

### CANADA

### Looking Ahead

As industry keeps expan plans, some financial qua advise caution on overspen that might force costs up.

OTTAWA-In one sentence forecast for 1947 business inves in Canada, the Research Brane the Dept. of Reconstruction has w Canadian business not to be much of a rush with its expansion

us

ur

th

dev

t

ily

0

the

on

nga

nd

u

al

clin

e

ba

IN

ie i

wee

of

pre

rate

at a

red eir

, 19

n 1

ndu

C

of

end

t 1

oct.1

men

aid:

the

th

cap

rel

the

Business has plotted a \$1,200,00 program of new investment in con tion and machinery and equipme the current year. This has raised tion in the minds of the goven economists: What about ability of a sharp increase in inve activity that may be followed b rious decline once market prospec their present buoyancy?"

 Caution Advised—It was the such warning during the week Bank of Nova Scotia, in a mont view devoted to construction, cautious expenditure on building

capital goods.

This is held to be preferable present attempt to force the pr face of continued shortage of lab material and a consequent mark crease in costs.

• Broad Survey-The government ness forecast is based on a sur 12,000 Canadian firms. It shows 1947 business enterprise of all (together with residential and tional building) intends to spend more than in 1946. The total pris given at \$1,739,000,000, ex government spending. A part of obviously a carryover from exp planned for 1946. Last year's pl short of the objective by 25%

There is little likelihood that outlay will measure up to inte Production of basic and building rials, on which the whole progra pends, is expected to show an i of 10% to 30% during the year ing according to materials. The not be enough to allow business fill its ambitions.

• Broad Picture-The increase sufficient, however, to absorb stantially larger portion of proactivity in the country. In the of the economists it will main high level of employment and income.

Canada's national income la gave the lie to cautious prediction held a level above \$9 billion, or

er capita-only slightly less than time peak.

If business intentions shown survey are carried out there is be a marked expansion in the industry involving a capital pronore than three times that of Investment in utilities will be at of 1946. An increase of 75% ated in the construction indusanufacturing business prospects spired an investment program eater than 1946.

ad

xpan

quar

spend

IP.

ence

inves

Brand has w

be i

ision

00,00

n con

ipme

sed a

the invest

d by

he s

week.

nonti n, su ilding

e pa

mark

ienti

nd i

pend

al pu

exo t of t exp

inte

ding ogn n in

year Th

ess

se i

pro

ie o

d n

of this program can be attributed inued reconversion from war to modernization of plants, and y replacements. But it represo a very substantial degree of ousiness expansion. In the words urvey, business intentions show thy optimism about the ecodevelopment in the future."

r Canadian business observers r are viewing with equanimity t that the whole program will illy be braked by continued of supply at least in the first the year. There is a good body oning opinion that believes the as come to adopt stabilization ogan, and to spread out expendin construction and on capital

on—Some sort of stabilization is argued, would lessen dangers nding capital goods industries s which cannot be maintained. I also provide a cushion for posclines in exports and domestic or demand which are now bolyexport credits on the one hand backlogs on the other.

### ING BOOST

da has extended a novel tax ne to stimulate rental housing week Clarence Decatur Howe, rof Reconstruction, announced preciation will be allowed on ousing projects at double the rates. An Order in Council protat accelerated depreciation will wed on rental housing projects eir equipment built between 1947, and Dec. 31, 1949. In 1944, Ottawa offered a similar

industry to encourage expansion considered essential by the of Reconstruction. In the first penditure of some \$200 million at 1,000 firms was certificated Dct.13'45,p116).

menting on last week's order, aid: "Perhaps the principal reather reluctance of private owners this field is their belief that capitalized costs may be too relation to stabilized rents." the new order builders are of-opportunity to write off their ents while rents are high.

### ADVERTISERS IN THIS ISSUE

Business Week-April 5, 1947

R. C. ALLEN BUSINESS MACHINES, INC 80 Agency—Wesley Ares & Associates ALLIS-CHALMERS MANUFACTURING CO
ALLIS-CHALMERS MANUFACTURING
Agency—Compton Adv., Inc. ALUMINUM CO. OF AMERICA
Agency-Fuller & Smith & Ross Inc.
AMERICAN CREDIT INDEMNITY CO 32
AMERICAN GAS ASSOCIATION
AMERICAN AIR FILTER CO
Agency—N. W. Ayer & Son. Inc. AMERICAN VISCOSE CORP
Agency
Anchor Post Products, Inc
ARMSTRONG CORK CO
Agency—Van Sant, Duddle & Co., Inc. ARMSTRONG CORK CO
BANKERS TRUST CO.
BARCO MANUFACTURING CO
BELL & HOWELL CO
THE AUTOCAR CO. 38  Agency—Gray & Rogers  BANKERS TRUST CO. 1  Agency—Cowan & Dengler. Inc.  BARCO MANUFACTURING CO. 33  Agency—Campbell-Ewald Co. of N. Y., Inc.  BELL & HOWELL CO. 44  Agency—Henri, Hurst & McDonald, Inc.  BRISTOL BRASS CORP. 25  Agency—Sutherland-Abbott  CANADIAN NATIONAL RAILWAYS. 102  Agency—McCann-Erickson, Inc.  CARGOCARE ENGINEERING CORP. 46
CANADIAN NATIONAL RAILWAYS102 Agency—McCann-Erickson, Inc. CARGOCAIRE ENGINEERING CORP 46
Agency—Campbell-Ewald Co. of N. Y., Inc.
Agency Martin Adv. Agency
Agency—Campbell-Evald Co. of N. Y. Inc. CARNAGEY'S
Agency—Van Sant, Dugdale & Co., Inc. COMMONWEALTH EDISON &
AFFILIATES
CONNECTICUT GEN'L LIFE INS. CO108
Agency—Edward W. Robotham Co.  CONTINENTAL CAN CO., INC3rd Cover Agency—Batten, Barton, Durstine & Osborn, Inc.
RALPH C. COXHEAD CORP
CROCKER McELWAIN CO
Agency—Batten Barton, Durstine & Osborn, Inc. RALPH C. COXHEAD CORP. 75 Agency—Hicks & Greist, Inc. CROCKER MCELWAIN CO. 42 Agency—Brad Stephens & Co. DETEX WATCHCLOCK CORP. 31 Agency—J. M. Kesslinger & Assoc. DIAGRAPH-BRADLEY STENCIL MACHINE CORP. 118
MACHINE CORP
MACHINE CORP. 118 Agency—Glee B. Stocker & Assoc. DICTAPHONE CORP. 44
Agency—Glee R. Stocker & Assoc. DICTAPHONE CORP.  44 Agency—Young & Rubleam, Inc. DICTOGRAPH PRODUCTS
Agency—Knox Reeves Adv., Inc
Agrico Shappe Wilkes Inc. Inc. Inc. Inc. Inc. Inc. Inc. Inc.
DOW CHEMICAL CO
E. I. du PONT de NEMOURS & CO47, 81
EASTMAN KODAK CO
Agency—MacManus, John & Adams, Inc. E. I. du PONT de NEMOURS & CO 47, 81 Agency—Batten, Barton, Duratine & Osborn, Inc. EASTMAN KODAK CO
EMPLOYERS MUTUAL LIABILITY INS. CO. OF WISC
Agency Hamilton Adv. Agency, Inc. EXECUTONE, INC. Agency—The Joseph Katz Co. FAIRCHILD ENGINE & AIRPLANE CORP 2
FAIRCHILD ENGINE & AIRPLANE CORP 2
Agency—Cecil & Presbrey, Inc. 36 FINNELL SYSTIM, INC. 36 Agency—Johnson, Bead & Co., Inc. FORD MOTOR CO. 110 Agency—J. Walter Thompson Co. FOX RIVER PAPER CORP. 119
FORD MOTOR CO
FOX RIVER PAPER CORP
EDIDEN CALCULATING MACHINE CO. 24
Agency—George I. Lynn, Adv.  ROBERT GAIR, INC
GENERAL ELECTRIC CO., CHEMICAL DEPT
Agency—Benton & Bowles, Inc. HARRIMAN RIPLEY & CO., INC
HARTFORD STEAM BOILER INSPECTION
DEPT. 14 Agency—Benton & Bowles, Inc. 78 Agency—J. Walter Thompson Co. 4 Agency—J. Walter Thompson Co. 54 Agency—N. W. Ayer & Son, Inc. 55 HIS. CO. 55 HUPP CORP. 35 Agency—MeCann-Erickson, Inc. 10 INTERNATIONAL CHAIN & MFG. CO. 8 Agency—The Altkin-Kynett Co. 8 Agency—The Altkin-Kynett Co. 58
Agency—McCann-Erickson, Inc.
Agency—The Aitkin-Kynett Co. INTERNATIONAL HARVESTER CO., INC., 45 Agency—Aubrey, Moore & Wallace, Inc.
Agency-Aubrey, Meore & Wallace, Inc.

INTERNATIONAL HARVESTER CO., INC115
Agency McCann-Erickson, Inc. THE INTERNATIONAL NICKEL CO., INC 7
IDVING AID CHITE CO INC
Agency
Agency—Hicks & Greist, Inc. THE LINDSAY CORP. 105
Agency—The Fensholt Co. THE LORD BALTIMORE HOTEL 106
Agency-W. S. Hill Co.
WATER & POWER
LORD MANUFACTURING CO. 43 Agency—W. S. Hill Co. LOS ANGELES CITY-OWNED DEPT. OF WATER & POWER. 99 Agency—Buchanan & Co., Inc. THE MALL TOOL CO. 90 Agency—Chas, Elwyn Hayes, Adv. P. R. MALLORY & CO., INC. 11 Agency—The Althic Kynett Co.
P. R. MALLORY & CO., INC
MANNING, MAXWELL & MOORE, INC 82
Agency—The Aitkin-Kynett Co. MANNING, MAXWELL & MOORE, INC 82 Agency—Briggs & Varley, Inc. THE MARINE MIDLAND TRUST CO. OF
N. Y
N. Y. Agency—Batten, Barton, Durstine & Oaborn, Inc.  Agency—Batten, Barton, Durstine & Oaborn, Inc.  MASSACHUSETTS DEVELOPMENT &  INDUSTRIAL COMM.  Agency—John C. Dowd, Inc.  McGRAW-HILL BOOK CO., INC.  78  MONSANTO CHEMICAL CO.  72  Agency—Gardner, Advertising Co.
Agency—John C. Dowd, Inc. McGRAW-HILL BOOK CO. INC. 78
MONSANTO CHEMICAL CO
MONTGOMERY ELEVATOR CO
NATIONAL CASH REGISTER CO 87
Agency—Gardner Advertising Co. MONTGOMERY ELEVATOR CO. 88 Agency—L. W. Bamsey Adv. Agency NATIONAL CASH REGISTER CO. 87 Agency—McCann-Erickson, Inc. NEW DEPARTURE DIV. OF GENERAL MOTORS CORP.
MOTORS CORP. 51
NEW YORK, NEW HAVEN & HARTFORD
NEW YORK, NEW HAVEN & HARTFORD R. R. Agency—Walter Weir. Inc. 97  Agency—Walter Weir. Inc. 91  Agency—Kenyon & Echhardt, Inc. 57  Agency—John W. Odlin Co. Inc. 57  Agency—John W. Odlin Co. Inc. 69  Agency—The Griswold-Eshleitan Co. 90  Agency—Drury Co. 90  Agency—Drury Co. 100  OWENS-ILLINOIS GLASS CO. 100
Agency—Kenyon & Eckhardt, Inc.
Agency—John W. Odlin Co., Inc.
Agency—The Griswold-Eshleman Co.
Agency—Drury Co.
Agency-Brooke, Smith, French & Dorrance, Inc.
Agency—Fuller & Smith & Boss Inc.
Agency—Earle Ludgin & Co.
OTIS-MCALLISTER & CO. 90  40.000000000000000000000000000000000
Agency—The Caples Co.
Agency—The Caples Co. REVERE COPPER & BRASS, INC2nd Cover Agency—St. Georges & Keyes, Inc. REZNOR MFG. CO
Agency—Meek & Thomas, Inc.
Agency—Erwin, Wasey & Co., Ltd.
JOHN A. ROEBLING'S SONS CO 73  Agency—Rickard & Co., Inc.
Agency—Newell-Emmett Co. 52
REZNOR MFG         CO.         90           Agency-Meek & Thomas, Inc.         101           ROBBINS & MYERS, INC.         101           Agency-Ervil, Wasey & Co. Ltd.         10           JOHN A. ROEBLING'S SONS CO.         73           Agency-Rickard & Co., Inc.         52           ROHM & HAAS CO.         52           Agency-Newell-Emmett Co.         116           Agency-Ira E. DeJernett Adv. Agency         JOS, T. RYERSON & SON, INC.         23           Agency-Aubrey, Moore & Wallage, Inc.         SAN DIEGO GAS & ELECTRIC CO.         68           Agency-Barnes Chase Co.         88
JOS, T. RYERSON & SON, INC
SAN DIEGO GAS & ELECTRIC CO 48  Agency—Barnes Chase Co.
CERVICE CASTER & TRICK CO 34
STATE OF FLORIDA
Agence—Erans Associates Co.  STATE OF FLORIDA.  Agence—Allied Adv. Agencies of Florida. Inc. SUN OIL CO.  40, 61  Agence—Gray & Rogers TAL'S PRESTAL BENDER, INC.  40exce—Charles Melssner & Assoc. Inc.
Anderse-Gray & Rokers INC. 106 Adames - Charles Melsaner & Assoc. Inc. IMKEN ROLLER BEARING CO. 4th Cover Agency - Batten, Barton, Durstine & Osborn, Inc. TODD SHIPYARDS CORP. 41 Agency - Wendell P. Cotton Co. TOWMOTOR CORP, 30
TIMKEN ROLLER BEARING CO4th Cover
TODD SHIPYARDS CORP
TOWMOTOR CORP 30
TOWMOTOR CORP.  Agency—Howard Swink Adv. Agency TRUNDLE ENGINEERING CO
Agency—Fuller & Smith & Boss Inc. UNDERWOOD CORP
Agency—J. M. Mathes, Inc. U. S. FIDELITY & GUARANTY CO. 89
UNION CARBODE & CARBON COMPANY Agency—J. M. Mathes, Inc. U. S. FIDELITY & GUARANTY CO
Agency—J. Walter Thompson Co. THE WAYNE PUMP CO
Agency—Bonsib Adv. Agency WESTINGHOUSE ELECTRIC CORP
Agency Newall Emmett Co
YORK-SHIPLEY, INC
YORK-SHIPLEY, INC. 54 Agracy—The W. H. Long Co. YOUNG RADIATOR CO. 76 Agancy—Western Adv. Agency



### GIANT FLOOD LIGHT ILLUMINATES LARGE AREA

ONLY \$15

This price below former OPA ceiling and only fraction of what it cost government. BRAND NEW.

FOR: Plants - Loading Docks - Runways - Grounds - Driveways - Parking Areas - Contractors - Farms - Homes - Gardens - Lawn Parties - Camps - Playgrounds - Schoels - Gourts - Boats - Patios - Churches - Swimming Pools PROTECT YOUR PROPERTY AGAINST

BURGLARS AND PROWLERS
Easily installed. Base plate on lamp bored for quick
mounting. Weatherprofed. Has 14 feet of heavy rubber
cord; takes AC or DC current: frosted heavy convex lens;
rugsed construction; made to Navy specifications.
GIANT: 14 inches in diameter; includes 150-watt
standard builb; weight 10 Pounds
Weight 10 Pounds
SUPER-GIANT
17 inches in diameter; instandard builb; weight 17 pounds.

MONEY BACK GUARANTEE
Terms: Cash With Order
Mail order today with money order or check.
Shipped Espress Charges Collect

CARNAGEY'S BURGLARS AND PROWLERS

CARNAGEY'S
29 Central Ave., Dept. MB-1, Tarrytown, N. Y. 





You'd resent it if they were antiquated methods in your shipping department may be harming your product's acceptance. Have our factory-trained packing and marking man analyze yours. No obligation. Look in your phone book under "Stencil Cutting Machines." Or write:

### DIAGRAPH RADLEY

3748 Forest Park Blvd., St. Louis 8, Mo.

World's Oldest and Largest ecialists in Shipping Room Supplies \*

### Universal Pictures Company. Inc.



### DIVIDEND

The Board of Directors has declared and guarterly dividend of 50c per share on the outstanding common stock of the Company, payable April 30, 1947 to stockholders of record at the close of business on April 15, 1947.

### AS MADE FOR U. S. NAVY THE MARKETS (FINANCE SECTION-PAS

00.0

0.00 0.00

00,0

0.00

00.00 00.0

0.00

00.0 0,00

00,00

e ha

adi

r e ng-

Ba

A

tes

the

ock

ible

rei

to

is.

er of

еп

tha

arti we

res

er

1 50

rke

9). 65

illi

35

he

rite

ont VO

in

on

efi

Co

pr

ece

CC

S

1

### Security Price Averages

	his eek	Week Ago	Month Ago	Year Ago
Stocks				
Industrial14	17.8	145.6	149.0	173.4
Railroad 4	13.9	43.5	46.3	63.3
Utility 7	77.2	76.7	78.9	90.9
Bonds				
Industrial12	23.7	123.8	123.7	124.5
Railroad11	13.8	113.4	114.1	120.2
Utility11	13.3	113.5	111.9	115.8

Data: Standard & Poor's Corp.

### Stocks Rally, Then Falter

This week Wall Street was still probably more bearish than bullish over the stock market's near-term price outlook. • Dissenter-However, Bache & Co., long one of the largest New York Stock Exchange member firms, definitely isn't bearishly inclined at the moment. Wednesday of last week saw that house publicly swing over to the bullish side.

Moreover, the firm felt sure enough of the basic soundness of its bullish sentiments to go far out on a limb. It transmitted to its clients (and to the general public, via a nationwide radio hookup) this bold statement: "We would buy stocks within the next ten days." And it added: "After buying stocks we would disregard minor fluctuations, rumors, and gossip."

• Lows May Be Tested-Bache doesn't predict that the market may not try another testing of the lows that were registered earlier this year. But it thinks there isn't much chance that those lows will be penetrated decisively. Instead, it sees a sharp rally in the n

It is particularly bullish on sto selected companies which still e large replacement demand; con that they are now selling with "excellent buying range."

• Reasons-Bache gives several for its militant bullishness. It the "adverse aspects of the tional political situation and the forecast domestic business recess [have been] . . . largely discount the price declines witnessed" to

And it doesn't believe that rate earnings and dividends, labor lative reforms, and tax relief have [yet] . . . been translated into market terms." Also still to take Bache adds, is a "full adjustme equity prices to the depreciated w the dollar."

• Effect on the Market-Stock participants aren't used to sa equivocal public statements. It's of a Wall Street tendency to he times like these, so as to be of right side no matter which way jumps. Bache's bullishness thus quick effect on the market. Within days, the Dow-Jones industrial price index had been pushed u

It was soon noticeable, however the "Bache rally," like so many price upsurges lately, was mainly fessional affair. Friday of last as a result, saw prices start to traders took profits. By the mid

points, on substantially increase

### COMMON STOCKS—A WEEKLY RECORD 200 50 Industrials 160 KEY. Week's High Close In a land and the land and the Week's Low (1926=100) 55 20 Rails ակավուցիակակավակակակակակակա Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec. Jan. Feb. Mar. 1946 1947 rd & Poor's Corp

### Private Placements: A Recent Sampling

Issue	Borrower	Pur	chase	7
00,000 deb. 2.55%, 1967	Aluminum Co. of America	Metropoli	tan l	Life
00,000 deb. 2.70%, 1972	Dow Chemical Co	Insurance	co.	group
00,000 deb. 2.65%, 1971	Monsanto Chemical Co	**	-60	a
00.000 deb. 2.75%, 1971	Household Finance Corp	44	48	4
00,000 deb. 2.85%, 1966	Celanese Corp. of America	a	16	a
00,000 deb. 2.75%, 1971	Anderson, Clayton & Co	Equitable	Life	
00,000 15-yr. serial loan			- 66	
00.000 deb. 2.625%, 1965.			1 Life	e
00.000 20-yr. ser. loan	Burlington Mills Co		6.	
00.000 deb. 3.50%, 1967	United Air Lines		tan I	Life
00.000 deb. 2.75%, 1967	Yale & Towne Mfg. Co	Equitable	Life	
00,000 deb. 2.85%, 1967	Loew's, Inc		co.	group
00,000 20-yr. ser. loan			66	
00,000 1st 2.75%, 1977			61	66
00,000 deb. 2.625%, 1965.	Carnation Co		66	66

rek, half the gains scored in that e had been erased, and Big Board rading volumes had slipped back r earlier scanty levels.

n st

cessi

f hav

into

take

1stm

suc It's

o he

vay t

d w

lanv

last

ing-According to many of the bears, there is nothing fundally wrong with the picture painted Bache firm last week-except its. As they see the situation, the test of the market still lies ahead. they say, it's too early to predict ock prices have adequately disd the unfavorable potentialities ible future events both here and

arently, the general public still to agree with that more cautious

ber Trading to Resume—The reof federal controls over import e rubber on Apr. 1 has been folby the announcement that tradthat commodity will be resumed w York's Commodity Exchange, arting May 1. For the time bewever, there will be no trading ures contracts calling for deliverier than next September.

### New-Issues Market

th provided the biggest 1947 doll so far in the new corporate isarket—as expected (BW-Mar.15 9). Sales of new issues came to 65 million, compared with only illion in February, and with Jan-355-million total.

the month wasn't so enjoyable for riters generally as a casual obnight assume.

Big Issues-Individually, new isontinued a scarce commodity. % of the dollar total came from wo offerings-\$200 million of in Telephone & Telegraph Co. oney" debentures and \$100 milrefunding bonds of Consolidated Co. of New York.

proved to be an out-the-window eceded by a keen competitive contest. And those factors had nfavorable repercussions. • Allotments Small—Due to the demand for both issues, allotments of bonds to many dealers proved scanty. Some 20% of the A.T.&T. issue, for example, was distributed solely by the buying syndicate's two joint managers. More than half of the bonds were sold by only 21 of the 201 underwriting houses involved in the deal.

Nor were the two issues particularly profitable for their handlers. The spread between the buying and selling price in the A.T.&T. operation was only \$4.50 per \$1,000 bond. It was only \$5.30 a bond in the Edison deal. Those narrow spreads didn't permit the payment of any "healthy" selling commissions.

• Attractively Priced—But March did

 Attractively Priced—But March did have its favorable side. The important buying groups competing for last month's two big offerings didn't forget that money rates had firmed in recent months.

As a result, both winning bids permitted distribution of the issues at prices "attractive" enough to invite large purchases by the life insurance companies—a rare sight lately in the public new-issues market.

 Private Sales—However, the insurance companies show no signs that they plan to confine their current investment purchases to securities offered in the newissues market.

Instead, their security purchases direct from corporate issuers continue heavy (box). Whether the 1947 total of private placements will finally equal last year's \$1.5 billion (BW-Jan.18'47, p70) remains to be seen. Nevertheless, private placements are believed to have accounted for 44% of all domestic corporate security flotations in February, and 46% in January.

• Entering the Contests—The insurance companies also continue to enter competitive bidding contests against the underwriting trade for issues that strike their fancy. This week, for example, Boston's John Hancock Mutual Life Insurance Co. outbid a field of investment houses for \$22,425,000 of new bonds of the New England Gas & Electric Assn.



Every letter carries a message beyond what its words convey. The letterhead design and the paper upon which the sender's thoughts are carried both express by appearance the character of the sender. Perfection of one of these—letterhead paper—has been Fox River's business for 64 years. Anniversary Bond of 100% cotton fibre is Fox River's "letter-perfect" paper. Strength, crispness and crackle are its qualities that enhance your written words. Ask your printer why cotton fibre content paper is the finest. Fox River's grades of 100, 75, 50 and 25% cotton fibre papers meet every business need. Fox River Paper Corporation, 421-D South Appleton Street, Appleton, Wisconsin.

Bond, Ledger and Onion Skin Papers



3 MADE "by FOX RIVER"

### THE TREND

### 20,000,000 VETERANS CAN BE WRONGED

While our statesmen hold the center of the political stage with dramatic motions which, some pessimists fear, might ultimately lead to enlargement of our corps of war veterans, bills to provide further aid for those already having this honorable status continue to pour into the congressional hoppers. Since the present session of Congress began in January, about 1,200 bills to aid veterans have been introduced, some of them calling for expenditures of tens of billions of dollars. At the present rate, the record set last session, when about 3,000 veteransaid bills were introduced, is likely to fall.

This continuing flood of bills to aid war veterans is unquestionably motivated partly by the general congressional conviction that there is political nourishment to be gained from it. Because of this same conviction,

one of the most screaming silences in Washington these days is that of congressmen not proposing to include expenditures for veterans within the scope of the present economy drive. In that drive, the "bureaucrat" is fair game. But, politically, it is always closed season on sniping at veterans costs.

The flood of veterans bills is also prompted in considerable part by the entirely sincere conviction that every possible aid, economic and otherwise, should be given to the veterans of our too numerous wars, and above all to those disabled in the military service of our country. We share this conviction completely.

At the same time, it would be a disservice to the nation and to the veterans themselves to wink at the fact that veterans benefits to which the federal government is already committed constitute a truly staggering load. It is a load which, if augmented by even a fraction of the added expenditures which pending legislation would provide, could raise substantial havoc not only with federal finances but with the nation's economy as a whole. A few of the added expenditures contemplated by pending legislation are \$25 billion to \$50 billion for veterans bonuses of various sorts, and \$2 billion to \$3 billion to provide for the immediate-cashing of terminal leave bonds.

As the table in the center of this page indicates, expenditures for veterans are now running over \$7 billion a

year—the equivalent of the total of federal expenditures for all purposes ten years ago. Even if no added comments are made, veterans expenditures will take a one out of every five dollars collected by the forgovernment next year. The House Veterans Comment has already approved \$150 million more to grant has already approved \$150 million more to grant has allowances for on-the-job training. Approval of incention in the education allowances for veterans is also anticipal Current expenditures, which give complete or pusupport to about seven million veterans of all ward pensioners, as wards in hospitals, as trainees or studies in college, or as recipients of unemployment allowance contain some elements which are non-recurring. The true of both the veterans education program, which gradually taper off, and of the unemployment assist

("52-20") program will under present law, will to an end in 1949.

However, even when

transitional programs to the veteran's return to ian life have run course, we shall still committed to veteran penditures of about & lion annually, or about sixth of the peacetime eral budget. The larger of the continuing ex tures will be for per which many bills now ing in Congress woul eralize. Most of the million pension cass volved arise out of \

War II, but we are still

ing pensions on the

ican and Indian wars. In the past it has been customary to think abor war veteran as a person apart from the general recitizency. In some ways, including the measure of service to our country, this still remains true. But we of all of our wars now total about 20 million, or third of a total working force of 60 million.

With the veterans constituting such a large proposed the working population, legislation granting gloenefits for veterans (nothing should be left under give the disabled what they need) approaches in chartened business of taking in each other's washing. If, it process, insupportable strain is put on the federal lury and the economy, the operation becomes even bootless.

### **EXPENDITURES FOR VETERANS**

(Federal Budget Estimates)

(x ederiii	2006	2.10-222	inter)		
C	Cost (Billions)		Vets P	Vets Participating	
			7 July 1946		
ITEM July	1947	July 194	8 July 1947	July 1948	
Loans (interest and					
losses) *	\$0.1	\$0.1	750,000	1,000,000	
Education	2.1	2.3	2,000,000	2,145,000	
Unemployment assist-					
ance	1.3	1.0	1,300,000	900,000	
Pensions	2.2	2.5	2,900,000	3,150,000	
Insurance	0.9	0.1			
Hospitals and adminis- tration	1.0	1.3			
TOTAL federal vets. payments	7.6	7.3	6,950,000	7,195,000	
Federal expenditures for all purposes	42.5	37.5	*		

<sup>\*</sup>Veterans Administration pays first year's interest; estimates 10% of loans will not be repaid.

pendition of comments of the fed comments of t

propo ing go undo in cha g. If, i deral l

Apr. 5